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Japan

U.S. Postpones Trade Discrimination Decision

OW0105054594 Tokyo KYODO in English 0432 GMT
1 May 94

[Text] Washington, May 1 KYODO—The United States has postponed until June 30 its decision on whether Japan is discriminating against U.S. businesses in government procurement of telecommunication and medical equipment, the chief U.S. Trade negotiator said Saturday [30 April].

U.S. Trade Representative Mickey Kantor's office was to submit by Saturday to Congress its report that would specify the countries it sees as discriminatory against U.S. firms in government procurement.

The action is based on Title VII of the 1988 Omnibus Trade and Competitiveness Act.

The countries specified in the report could be subject to trade sanctions by the Clinton administration.

The Japanese Government of former Prime Minister Morihiro Hosokawa has vowed to put together market-opening measures by the end of June.

But, Japan may be included in a list of such countries if Washington remains unconvinced of the Japanese measures which are aimed primarily at rectifying Japan's external trade imbalances by boosting domestic demand.

The postponement of a decision apparently stems from the judgment that it is inadvisable to take a get-tough policy toward Tokyo amid the uncertain political outlook in Japan.

The new coalition government of Prime Minister Tsutomu Hata, Hosokawa's successor, inaugurated last Thursday, is widely viewed as fragile due to the departure of the Social Democratic Party [of Japan, SDPJ].

Kantor said, however, that his office will "review the situation in 60 days on the basis of Japanese actions in the interim."

He also noted that "in deciding whether to identify Japan under Title VII in 60 days, we will assess the seriousness of any official Japanese response to the points that were discussed" at his meeting with then Japanese Foreign Minister Hata in Marrakech, Morocco, on April 15.

Kantor also announced the Office of the U.S. Trade Representative places Japan and five other trading partners on the "priority watch list" under the trade act's special 301 Provision concerning the protection of intellectual property rights.

The listed countries are subject to a statutory review over the next year.

Meanwhile, Kantor said his office has put off until June 30 a decision on whether to name China, Argentina and India "priority foreign countries" which deny adequate and effective protection of intellectual property.

If a solution has not been reached by June 30, these countries will be named priority foreign countries, and investigations of their practices will immediately be initiated under Section 301 of the trade act.

U.S. concerns over protection of intellectual property rights in China have been prompted by massive pirating of compact discs in that country.

Kantor indicated in a teleconference with U.S. journalists that the U.S. Administration does not want bilateral trade problems with China to become confused with the question of whether to extend China's most favored nation (MFN) trade status.

President Bill Clinton must decide whether to renew the status by June 3.

MITI Criticizes US Report on Trade Barriers

OW0205075794 Tokyo KYODO in English 0750 GMT
2 May 94

[Text] Tokyo, May 2 KYODO—The Ministry of International Trade and Industry (MITI) on Monday blasted the latest U.S. report on Japanese trade barriers as hampering global free trade activity. The 1994 National Trade Estimate on Foreign Trade Barriers announced by the Office of the U.S. Trade Representative (USTR) at the end of March found Japan guilty of unfair trade practices in many industrial sectors.

The latest USTR report on foreign trade barriers is "significantly different" from those prepared in past years in that it is aimed to pave the way for invocation of a retaliatory trade provision known as Super 301, MITI said. Unilateral trade measures like Super 301 constitute violations of the recently signed global trade accords under the Uruguay Round sponsored by the General Agreement on Tariffs and Trade (GATT), MITI said.

"Such steps are global targets of criticism as they erode free trading systems," MITI said in a statement.

The statement dismissed U.S. claims that Japan's markets are closed while its trade surplus, traced to the closed nature of the markets, helped deprive Japan's trade partners of opportunities for employment and production.

Japan's global trade surplus has been derived not from its market conditions as if it were closed but from macroeconomic structural problems, the statement explained.

MITI also argued there is no ground to support the claim that Japanese markets are more closed than other countries. An average tariff on industrial and mining products is only 2.2 percent in Japan against 5.4 percent in the United States and 5.7 percent in the European Union (EU), MITI explained.

Under the recently reinstated Super 301, Washington will seek to identify foreign trade barriers using the USTR findings. The U.S. would then have until Sept. 30 to pinpoint priority countries that are engaged in unfair trading.

ROK's Kim Assures Cooperation on DPRK Issue

OW0105080594 Tokyo KYODO in English 0549 GMT 1 May 94

[Text] Tokyo, May 1 KYODO—South Korean President Kim Yong-sam told Prime Minister Tsutomu Hata in a telephone conversation Sunday [1 May] that Seoul will closely cooperate with Japan and the United States in dealing with North Korea's suspected nuclear weapons program.

Kim made the remarks when he telephoned Hata to convey his congratulations on his assuming the premiership and forming the cabinet Thursday, Japanese officials said.

"Through those close relationships (among the three nations), we can prevent North Korea from developing nuclear (weapons)," Kim was quoted by Japanese officials as telling Hata.

Hata replied, "Japan will not change its policy of opening a window for dialogue with North Korea while showing the international society's steadfast stance toward it," the officials said.

"As the (nuclear issue) has been approaching a serious phase, (Japan) will continue keeping close relations with South Korea and the U.S.," Hata said.

North Korea has refused to accept full inspections by the International Atomic Energy Agency (IAEA), increasing suspicions that it is trying to develop nuclear bombs.

Kim also said, as in the case with the cabinet headed by former Premier Morihiro Hosokawa, that South Korea will proceed with its efforts to establish future-oriented relations with Japan.

Hata replied that the new government will succeed Hosokawa's foreign policy which "aims at establishing future-oriented Japan-Korea relations by facing up past history."

Possible Moves on DPRK Situation Studied

OW0205040894 Tokyo KYODO in English 0353 GMT 2 May 94

[Text] Tokyo, May 2 KYODO—Defense Agency head Atsushi Kanda on Monday [2 May] confirmed that the

government has been making a study of possible emergency legislative arrangements in connection with North Korea's suspected nuclear arms development programs.

In a television news program of ASAHI National Broadcasting (ASAHI TV), Kanda said, "at the present stage, (the government) has been making a study on preparedness for various situations."

The defense agency chief said, however, that the government has not yet reached a political decision on the matter. Kanda was quoted as saying, "the government has not yet decided to implement (emergency legislative arrangements)."

Foreign Minister Koji Kakizawa expressed a positive stance on the formulation of emergency legislative arrangements, during the same TV news show.

Kakizawa commented that the Foreign Ministry will hold comprehensive talks on the matter with the Defense Agency, when he was asked if there is disagreement on the issue among cabinet ministers.

In another ASAHI TV program Sunday, Chief Cabinet Secretary Hiroshi Kumagai expressed reservations about the wisdom of early Japanese action in response to North Korea's suspected nuclear weapons programs, saying Japan is still hopeful that a diplomatic solution can be achieved.

Such legislative measures apparently include revision of the Self-Defense Forces Law, which enables SDF planes to carry Japanese citizens residing overseas in an emergency.

Prime Minister Tsutomu Hata told reporters Monday morning that he has not received any report by government representatives on the emergency legislative measure preparations.

Hata said the government seems to be making a study (of the matter). But he added that he has not yet received any report on the issue.

Hata made the remarks when he was asked about the reported preparation of emergency legislative arrangements disclosed by Chief Cabinet Secretary Hiroshi Kumagai in the Sunday TV program.

A government source on Monday morning said, "the government has completed its preparations of security emergency legislative arrangements, but the government will not submit drafts to the diet."

The source said that the government wants to avoid triggering a controversy, mindful of the fact that the Social Democratic Party [Social Democratic Party of Japan], which was the largest group in the former coalition, opposes such legislative measures.

Trade With PRC Reportedly Increases in 1993

OW2504125494 Tokyo KYODO in English 1035 GMT
25 Apr 94

[Text] Tokyo, April 25 KYODO—Japan's exports to China via the Sea of Japan swelled but its two-way trade with South Korea slumped in 1993, the Japan External Trade Organization (Jetro) said Monday [25 April].

Jetro said China-bound exports from 14 Japanese prefectures facing the Japan sea jumped 36.5 percent in value to 106.5 billion yen last year due chiefly to strong demand for Japanese-made machinery.

Imports from China which arrived in the 14 prefectures, however, declined 4 percent to 162.0 billion yen as growing domestic energy demand there resulted in fewer exports of crude oil and petroleum products to Japan.

The Jetro report also said exports to and imports from South Korea, the biggest trading partner for the 14 prefectures, dropped 8.3 percent and 6.6 percent, respectively, reflecting Japan's economic recession.

As a result, the regions' exports to four countries on the other side of the sea—China, South Korea, North Korea and Russia—increased a paltry 1.7 percent to 404.4 billion yen, while their imports from these nations were down 4 percent to 697.7 billion yen.

Of the 14 prefectures, Fukuoka Prefecture in western Japan is the biggest exporter for the four countries, followed by Yamaguchi Prefecture, also in western Japan, and Hokkaido.

Yamaguchi was atop the other 13 prefectures in terms of value of imports, trailed by Fukuoka and Hokkaido, according to Jetro.

PRC Asked To Improve Investment Conditions

OW2604113294 Tokyo KYODO in English 1054 GMT
26 Apr 94

[Text] Tokyo, April 26 KYODO—The Japanese Government Tuesday [26 April] asked China to upgrade its investment environment for foreign businesses.

The Ministry of International Trade and Industry (MITI) made the request during its first high-level consultations with China's State Economic and Trade Commission, which started Monday.

The Japanese team to the two-day talks, led by Sozaburo Okamatsu, vice MITI minister for international affairs, pointed to ambiguous rules by Beijing on labor conditions and sudden changes in its administrative rules on foreign business activity, such as prohibitions on the receipt of money in foreign currencies, a MITI official told a press conference.

The Japanese delegation also complained about deteriorating living conditions in China for foreign corporate

employees, such as a sudden hike in rents, for example, to 10,000 dollars per month from 8,500 dollars, the MITI official said.

The Chinese side, led by Yang Changji, the commission's vice minister, promised Beijing will do its utmost to improve the situation which was described by the Japanese team as "eroding incentive for investment."

The Chinese commission explained that China is pushing ahead with various reform programs as a way to pave the way for China's admission to the General Agreement on Tariffs and Trade (GATT), the MITI official said.

Tokyo welcomes the move, hoping for the communist country's early entry into GATT, the official said.

The State Economic and Trade Commission was created in April 1993 as the Chinese version of Japan's MITI.

The two parties agreed to hold their second round of high-level talks in the first half of 1995, the MITI official said.

PRC 'Paves the Way' for Japanese Carmakers

OW2704124894 Tokyo KYODO in English 1237 GMT
27 Apr 94

[Text] Tokyo, April 27 KYODO—China has formulated a comprehensive automobile industry development policy with emphasis on fostering domestic auto parts makers, Japanese Government sources said Wednesday [27 April].

The sources in the Ministry of International Trade and Industry [MITI] said the 13-chapter policy drafted by China's State Planning Commission bars foreign automakers from producing vehicles with components shipped from their plants outside China.

The sources said the draft aims to develop economical passenger car models designed for use by the public, signaling a departure from its past policy of emphasizing the development of vehicles for office use.

In order to promote the development of the domestic automobile industry, emphasis will be laid on fostering parts manufacturers, they said.

Along this policy line, the sources said, the draft policy calls for foreign automakers operating in the country to maintain the local content ratio or the ratio of locally procured parts used in the vehicle at 40-50 percent in the initial stage.

The complete knockdown formula (CKD) to assemble vehicles with most components and parts brought in from outside the country will be banned, the sources said.

They said the policy paves the way for Japanese automakers to produce vehicles in China through joint ventures with Chinese partners holding a controlling equity of over 50 percent.

In view of the local content regulation, the Chinese auto market will be open only to foreign automakers engaging in auto parts production in advance, the sources said.

China is regarded as a potentially huge market for auto makers, with domestic demand exceeding 15 million units in the year 2000.

Under the existing principle, Japanese automakers now produce only minivehicles and small-sized cars in China while U.S. and European rivals engage in producing larger vehicles.

Toyota Motor Corp., Japan's top automaker, which is interested in producing cars in China will be required to launch a joint part manufacturing venture before making full entry into the Chinese market, the sources said.

Tokyo Urges China Not To Conduct Nuclear Tests

OW0205101994 Tokyo KYODO in English 1009 GMT 2 May 94

[Text] Tokyo, May 2 KYODO—Japan has urged China not to conduct nuclear tests, Vice Foreign Minister Kunihiro Saito said Monday [2 May].

Saito told a press conference Japan filed the request with the Chinese Embassy in Tokyo. The Japanese Embassy in Beijing also made the same request to the Chinese Government.

Japan has obtained information that China may soon conduct a test, he said.

China reiterated its position that it supports complete abolishment of nuclear weapons and that the number of China's nuclear tests are far fewer than that of other nuclear powers, Saito said.

Ishii Urges Overseas Japanese Voting Rights

OW0205093494 Tokyo KYODO in English 0856 GMT 2 May 94

[Text] Tokyo, May 2 KYODO—New Home Affairs Minister Hajime Ishii says he is eager to allow the several hundreds of thousand Japanese citizens living overseas to vote in Japanese elections in absentia.

"If we are given a year or so, I think we can prepare a bill. If we cannot resolve the issue, we should be called negligent," said Ishii, a senior member of the coalition's core party Shinseito (Japan Renewal Party) led by Prime Minister Tsutomu Hata.

Some countries, including Australia, Britain, Sweden and the United States, grant the right to vote to some of

their eligible citizens residing overseas and there have been demands from Japanese abroad to guarantee such a right.

Ishii also said in an interview with KYODO NEWS SERVICE that he hopes the bills on the locations of 300 new single-seat constituencies for the House of Representatives will be enacted in the current ordinary Diet session ending June 29.

Ishii played a pivotal role in enacting a political reform package as the head of the lower house special committee on political reform. The bills became law in late January but will not take effect until the locations of the constituencies are fixed.

A government panel studying the locations will present its advice in several months, at which time the bills will be drawn up by the government.

The package centers on changing the 511-member lower house electoral system from the current multiseat constituency system into a combination of elections from 300 single-seat constituencies and the remaining 200 through a proportional representation system.

Ishii said the next lower house election must be held under the new system. "We must not implement a worn-out system again."

The minister said he is positive about the introduction of a local consumption tax.

"It would go against the current trend toward decentralization if the central government hoarded financial sources," he said.

Ishii also said the government is making efforts to draw up concrete decentralization guidelines, based on which the government would submit bills to the Diet by the end of this year.

He said Japan's local governments may have to foster administrative reform after the central government goes ahead with such reform.

Firms Said Turning Attention Toward Israel

OW0205132994 Tokyo KYODO in English 1144 GMT 2 May 94

[By Ikuji Nakaya]

[Text] Tokyo, May 2 KYODO—With peace talks in progress in the Middle East, once-reluctant Japanese businesses are beginning to turn to Israel with its high technology and the potential of Tel Aviv to become one of the financial centers of the region.

Both on official and private-sector levels, Japan and Israel started exchanging various delegations in late 1992.

The historic agreement reached by the Israeli Government and the Palestine Liberation Organization (PLO)

last September on Palestinian self-rule in the West Bank city of Jericho and the Gaza Strip accelerated Japanese interest in business with Israel.

On Wednesday in Cairo, PLO Chairman Yasir 'Arafat and Israeli Prime Minister Yitzhaq Rabin are scheduled to finalize the agreement, inviting dozens of top diplomats including Japanese Foreign Minister Koji Kakizawa.

Akio Aoki, managing director of U.S.-based consultant TTT Technology Trade Inc., says the so-called Arab Boycott, hitherto believed to be the biggest hurdle in doing business with Israel, has become in effect "nominal."

Aoki, who is head of TTT's Tokyo office, says Japanese firms are increasingly showing interest in Israel's high tech, especially in areas like medical equipment and biotechnology.

TTT has recently agreed on a business tie-up with Nippon Investment and Finance Corp., an affiliate of Daiwa Securities Co., to provide small and medium-sized Japanese firms with information on business opportunities with Israel.

Kiyoshi Tsuji, president of electronic equipment trader Kaytec Ltd. based in Tokyo, hopes to triple turnover this year. The company mainly sells Israeli-made software linked with the local area network (LAN) system to major Japanese System Integrator (SI) concerns.

A Japanese Ministry of International Trade and Industry official agrees with Aoki that the Arab boycott, under which countries and companies could be subject to retaliation for doing business with Israel, is losing its power, and trade between Japan and Israel is actually increasing.

"It is true that the Japanese business industry is interested in Israel," says Kanji Hayashi, assistant director of the Federation of Economic Organizations' (Keidanren) Asian affairs department.

Keidanren sent a 14-member delegation to the Jewish state last year, mainly composed of executives at major trading houses.

In addition to Israel's strong ties with the United States, Hayashi says, the country can serve as a bridge to European nations as well, while being one of the commercial centers of the Middle East.

Auto manufacturers like Mitsubishi Motors Corp. (MMC) and Fuji Heavy Industries Ltd. have considerable experience in exporting cars to Israel. Other manufacturers like Toyota and Nissan recently followed suit.

An MMC spokesman said the company exports about 20,000 cars per year and the vehicles are sold through local dealerships, which the company considers will not be subject to the Arab boycott since it is not a direct investment.

But, while showing interest in business with Israel, major companies, at least superficially, still express caution over taking risks in deals with Israel.

A spokesman for trading firm Mitsubishi Corp. bluntly said, "the Arab boycott has never been canceled," while an Itochu Corp. spokesman said the company is merely "in the stage of collecting information."

A spokesman for NEC Corp., a major electronics maker, acknowledged Israel's high technology but was skeptical about launching major business relations with Israel.

In the financial sector, however, government sources said two to three brokerage companies, including one or more "Big Four" securities firms, are planning to open representative offices in Tel Aviv soon for the first time.

Daiwa Securities, an affiliate of Nippon Investment and Finance, declined to comment on its strategy in Israel.

An official with the Japan Securities Dealers Association says there is a good possibility that Israel will become a financial hub in the future.

"We shouldn't be left behind then," he said, but the problem is the scanty knowledge Japanese financial institutions have of the Middle East, India and Pakistan. "All they think about is New York and London," he said.

The official said the association is ready to designate the Tel Aviv Stock Exchange as a preferred market for Japanese investors any time, but so far there has been no request from Japanese securities firms nor from foreign brokerage houses in Tokyo.

Max Livnat, minister of economic affairs at the Embassy of Israel in Tokyo, says the country is seeking to attract direct investment from Japan in addition to trade of goods.

He says it will be great business if Japan can do international marketing on products developed by Israeli research and development, which is one of the areas that Japanese firms are streamlining due to the economic slowdown.

"To my surprise, they are still cautious," he said, but he believes it is "just a matter of time."

Livnat said he is expecting a major reconciliation between Israel and the Arabs within this year and perhaps "faster than people believe," suggesting Japanese firms should not lose time by "being so cautious."

Hata Welcomes Mandela's 'Likely Victory'

OW0205061094 Tokyo KYODO in English 0537 GMT
2 May 94

[Text] Tokyo, May 2 KYODO—Prime Minister Tsutomu Hata welcomed Monday [2 May] a likely victory of Nelson Mandela's African National Congress (ANC) in South Africa's national assembly election Sunday.

"I evaluate the nation that took apartheid policy is heading for democracy," Hata told a reporters at his official residence.

Mandela's ANC headed for victory Sunday with a 53 percent share of votes, according to reports from Johannesburg.

About one-fifth of the votes had been counted out of an estimated 23 million ballots cast in South Africa's historic all-race elections, it said.

The government is expected to issue an official comment on the election later in the day, Japanese officials said.

Finance Ministry, BOJ 'Shocked' by Yen's Rise

OW3004033094 Tokyo KYODO in English 0312 GMT 30 Apr 94

[Text] Tokyo, April 30 KYODO—The Finance Ministry and the Bank of Japan were shocked Saturday by the yen's sharp rise to the 100 yen level to the dollar at one point in New York the day before.

The Japanese currency recovered to the mid-101 yen level to the dollar after concerted interventions by Japanese and U.S. monetary authorities, but dealers are anticipating the yen will rise again. The dollar temporarily plunged to a record postwar low for the New York market of 100.65 yen and ended Friday trading at 101.55-65 yen, up 0.25 yen from Thursday's close. Dealers said the yen surged on speculation that new Japanese Prime Minister Tsutomu Hata's minority government, formed Thursday, might not be able to carry out effective economic stimulus measures.

Finance Minister Hirohisa Fujii expressed appreciation of the Japan-U.S. concerted interventions, saying the recent meeting in Washington of finance ministers and central bank chiefs from the Group of Seven (G-7) industrialized nations agreed that excessive exchange fluctuations are not desirable. Fujii said, however, that "the exchange market is seeing sharp fluctuations," expressing concern about its effects on the Japanese economy, which has showed signs of recovery.

Tokyo To Enhance Intervention Against Yen Gain

OW3004102094 Tokyo KYODO in English 1007 GMT 30 Apr 94

[Text] Tokyo, April 30 KYODO—To cope with the yen's sharp advance against the U.S. dollar to a record high, Prime Minister Tsutomu Hata's cabinet is resolved to upgrade dollar-buying intervention in the world's currency markets in concert with other economic powers, the cabinet's top spokesman said Saturday [30 April].

The agreement was made at an emergency meeting of ministers in charge of economic issues, held in the evening of the same day after the U.S. currency plunged to a record low 100.65 yen at one stage in New York on

Friday after opening at 100.80 yen, lower than the former record of 100.85 yen Aug. 17, 1993.

The U.S. currency recovered slightly to end the Friday trading at 101.55-65 yen, up from Thursday's late quote of 101.35-45 yen in the wake of repeated dollar-buying intervention by the Federal Reserve Board.

The cabinet members concurred that Japan will take "appropriate measures at a right time" in a concerted action with the Group of Seven (G-7) nations including the United States to avoid volatile foreign exchange movements, Chief Cabinet Secretary Hiroshi Kumagai told a news conference after the hurriedly called cabinet gathering.

The Bank of Japan will step into the world's currency markets in Hong Kong and Singapore together with New York, Frankfurt and London as the Tokyo market opens only Monday and Friday in the coming week for national holidays between Tuesday and Thursday, a financial industry source said.

The source said the intervention volume by the Japanese central bank will swell to billions of dollars one day in the world's foreign exchanges to fight persistent market speculation that Hata's cabinet would fail to take effective and strong steps against the yen's surge because of its fragile political position as a minority coalition.

"The yen's strengthening against the dollar above the 100 yen line will give a hard hit on the economy which began to show signs of recovery," the source said.

At the emergency cabinet meeting, the ministers also agreed on the need to smoothly carry out a record 15.25 trillion yen economic stimulus package unveiled in February and seek to pass the long-overdue fiscal 1994 national budget through the Diet as quickly as possible, Kumagai said.

The top cabinet spokesman said the ministers confirmed that the government should come up with more concrete measures to further open its markets by the end of June on the basis of similar steps announced in March.

The hastily arranged meeting brought together Hata, International Trade and Industry Minister Eijiro Hata, Koshiro Ishida, chief of the Management and Coordination Agency, and Yoshio Terasawa, head of the Economic Planning Agency.

Kumagai also attended the gathering on behalf of Finance Minister Hirohisa Fujii, who left Tokyo earlier Saturday to attend the annual conference of the Asian Development Bank to be held in Nice, France, from Tuesday through Thursday.

The ministers shared the view that the government should spur the nation's sustainable growth led by domestic demand and cope with its massive trade surplus, especially with the United States, Kumagai said.

Hata Expresses Concern Over Yen's Advance

*OW3004113394 Tokyo KYODO in English 1126 GMT
30 Apr 94*

[Text] Tokyo, April 30 KYODO—Prime Minister Tsutomu Hata on Saturday [30 April] expressed his concern over the yen's sharp advance against the U.S. dollar, describing the current yen-dollar exchange market as "speculative."

The premier made the remarks after the U.S. currency plunged against the yen to the record low of 100 yen at one stage in New York on Friday.

"The yen's drastic movements are undesirable. Foreign exchange rates should reflect economic fundamentals," he said.

Responding to a question about the reasons for the strong yen, Hata said, "market players are speculative ahead of a series of holidays in Japan. Higher long-term interest rates in the United States are also behind the current gain in the value of the yen."

At their emergency gathering, Hata's cabinet colleagues in charge of economic issues earlier agreed on the need to enhance dollar-supporting intervention to help the economy continue its steady recovery from a long recession.

Hata on Foreign Exchange Rates, 'Fundamentals'

*OW0205062294 Tokyo KYODO in English 0557 GMT
2 May 94*

[Text] Tokyo, May 2 KYODO—Prime Minister Tsutomu Hata said Monday foreign exchange rates should reflect economic fundamentals of each country. The premier made the remarks after his brief meeting with Bank of Japan Governor Yasushi Mieno, who attended a meeting of top financial officials from the Group of Seven (G-7) economic powers in Washington late last month.

"We (Hata and Mieno) discussed economic issues in a wide range. Yen and U.S. dollar rates should reflect both countries' fundamentals," Hata told a group of reporters.

The U.S. dollar moved little with fears of dollar-supporting intervention by the Bank of Japan after opening at 101.80 yen in Tokyo on Monday, 0.58 yen lower than Friday's quote.

Ministers Agree on Immediate Economic Measures

*OW3004082894 Tokyo KYODO in English 0822 GMT
30 Apr 94*

[Text] Tokyo, April 30 KYODO—Japanese Cabinet ministers in charge of economic affairs on Saturday agreed on a set of measures on Japan's immediate economic management, Chief Cabinet Secretary Hiroshi Kumagai said.

At an emergency meeting to discuss the yen's recent surge against the U.S. dollar, the ministers concurred on the need to closely watch the developments in foreign currency markets and to keep in touch with nations concerned, the top government spokesman said.

They also agreed on the need to smoothly carry out a record 15.25 trillion yen economic stimulus package unveiled in February and seek to pass the long-overdue fiscal 1994 national budget through the Diet as quickly as possible, Kumagai told a news conference.

The ministers reportedly agreed the government should come up with more concrete measures to further open its markets by the end of June on the basis of similar steps announced in March.

They also reaffirmed the need to chart a course for comprehensive tax system reform by the end of June and push necessary legislation through the Diet by the end of the year, he said.

The hastily arranged meeting brought together Prime Minister Hata, International Trade and Industry Minister Eijiro Hata, Koshiro Ishida, chief of the Management and Coordination Agency, Yoshio Terasawa, head of the Economic Planning Agency.

Kumagai also attended the gathering on behalf of Finance Minister Hirohisa Fujii, who left Tokyo earlier in the day to attend the annual conference of the Asian Development Bank (ADB) to be held in Nice, France, from Tuesday to Thursday.

Kumagai said the ministers shared the view that the government should spur the nation's sustainable growth led by domestic demand and cope with its massive trade surplus, especially with the United States.

The emergency meeting came on the heels of the yen's sharp rise to the 100 yen level to the dollar on overseas markets Friday.

In New York, the U.S. dollar closed Friday at 101.55-65 yen after plunging to a postwar low for the market of 100.65 yen.

The yen's recovery to the mid-101 yen level to the dollar followed concerted interventions by Japanese and U.S. monetary authorities.

It was the first time in eight months that the dollar dipped to the 100 yen level. The dollar plummeted to a historic low of 100.40 yen in Tokyo last August.

In London, too, the dollar weakened against the yen, falling below the 101 yen level in afternoon trading before finishing the day at 101.45-55 yen, down 0.40 yen from the previous day's late quote.

Kato: Tax Reform Stance Remains Unchanged

*OW2604102794 Tokyo KYODO in English 1013 GMT
26 Apr 94*

[Text] Tokyo, April 26 KYODO—Kan Kato, head of the government's tax reform panel, said Tuesday [26 April] the group's basic stance on tax system reforms remains unchanged despite the Social Democratic Party's break from the ruling coalition.

Kato told a news conference after the panel's plenary session the tax commission is resolved to realize tax reforms centering on a boost of indirect taxes.

The policy was agreed on when the coalition government was formed last August, he said.

Taking the country's future into consideration, tax reform must be carried out regardless of which government comes into power, he said.

Kato said reform is also Japan's international obligation and the commission is required to work out a proposal by the end of June, in time for the July summit of major industrialized nations in Naples.

The body will coordinate its stance with other councils concerned with administrative reforms, leading to cuts in government expenditures, he said.

Kato expressed hope the SDP will support the proposed tax system reforms.

Fujii Leaves for ADB Meeting in France

*OW3004042694 Tokyo KYODO in English 0423 GMT
30 Apr 94*

[Text] Tokyo, April 30 KYODO—Finance Minister Hirohisa Fujii left Tokyo on Saturday [30 April] to attend the annual conference of the Asian Development Bank (ADB) to be held May 3-5 in Nice, France.

After the meeting, Fujii will visit Austria before returning home on May 7, according to ministry officials.

Foreign Minister Leaves on Middle East Trip

*OW0205061294 Tokyo KYODO in English 0533 GMT
2 May 94*

[Text] Tokyo, May 2 KYODO—Japan's new Foreign Minister Koji Kakizawa left Monday on a weeklong trip to meet Middle East leaders and U.S. Secretary of State Warren Christopher.

The May 2-8 trip will take Kakizawa to Egypt, Israel, Jordan, Syria and the occupied territories, where he is scheduled to meet Egyptian Foreign Minister 'Amr Mahmud Musa and Israeli Prime Minister Yitzhaq Rabin and Foreign Minister Shim'on Peres.

Kakizawa's plans also include meetings with Jordanian Prime Minister and Foreign Minister 'Abd-al-Salam al-Majali and Syrian Foreign Minister Faruq al-Shar', ministry sources said.

He may also meet Palestine Liberation Organization (PLO) Chairman Yasir 'Arafat, they said.

Ministry sources said Sunday that Kakizawa will meet Christopher in Cairo on Tuesday for a discussion on the Middle East peace process and on the prospects of re-opening the stalled Japan-U.S. talks to establish a new economic framework.

Prior to the meeting with Christopher on Tuesday, Kakizawa will meet Egyptian President Husni Mubarak and U.N. Secretary General Butrus Butrus-Ghali, the sources said.

Kakizawa is also scheduled to attend a signing ceremony Wednesday by representatives of Israel and the PLO in Cairo of documents related to the pullout of Israeli forces from the West Bank town of Jericho.

Hata's Tour of European Countries Previewed

*OW3004114094 Tokyo KYODO in English 1124 GMT
30 Apr 94*

[Text] Tokyo, April 30 KYODO—Prime Minister Tsutomu Hata is set to leave for his first overseas trip as premier Monday [2 May] to tour Italy, France, Germany and Belgium.

Hata will explain to European leaders the political developments that led to the breakup of the seven-party coalition, government officials said.

Hata, who formed a minority government after the coalition's biggest party, the Social Democratic Party, defected from the alliance, will pledge to continue the reform drive launched by his predecessor Morihiro Hosokawa in the field of politics, administration and economy.

Hosokawa's coalition government ousted the Liberal Democratic Party (LDP) last August after almost four decades of its unchallenged rule.

With the annual summit of the Group of Seven (G-7) major industrialized nations in July drawing close, Hata will also elaborate on Japan's efforts to boost world economic growth, such as income tax cuts, deregulation, market opening and pump-priming measures to stimulate domestic demand, the officials said.

Foreign Ministry officials, however, expressed concern whether Hata will be able to put on a strong performance as it is widely believed that his government will be short-lived.

The majority opposition could force Hata and his cabinet to step down or to dissolve the House of Representatives to call a general election as soon as the budget for fiscal 1994, which started April 1, has been adopted by the Diet.

He might want to ask for some advice in Italy, the first leg of his trip and host of the Naples summit, where the average lifespan of postwar cabinets has not exceeded 309 days, with the power vacuum between the formation of cabinets averaging some 33 days.

In Rome, Hata, traveling in the company of his wife Yasuko and Deputy Chief Cabinet Secretary Naoto Kitamura, is scheduled to hold talks with both outgoing Prime Minister Carlo Azeglio Ciampi and incoming Prime Minister Silvio Berlusconi, whose rightist Freedom Alliance won a landslide victory in March general elections.

The agenda in Paris, where Hata will meet President Francois Mitterrand and Prime Minister Edouard Balladur, will include Japanese-French cooperation in Indochina and Africa, the officials said.

In Bonn, Hata will reconfirm in talks with Chancellor Helmut Kohl that Japan and Germany will join forces in their bid for a permanent seat on a revised U.N. Security Council.

They will also likely formally launch a Japanese-German cooperation council on high technology and environment technology, proposed during Kohl's visit to Japan in March last year, which is to sound out areas for joint research and development.

Before returning to Japan on May 7, Hata is scheduled to meet Belgian Prime Minister Jean-Luc Dehaene and the president of the European commission, Jacques Delors, in Brussels.

Hata Leaves for Six-Day Visit to Europe

*OW0205081194 Tokyo KYODO in English 0803 GMT
2 May 94*

[Excerpts] Tokyo, May 2 KYODO—Less than a week into his term as Japan's new prime minister, Tsutomu Hata left Tokyo on Monday [2 May] for an official visit to Italy, France, Germany and Belgium.

Hata aims to establish personal rapport with European leaders ahead of the July summit in Naples, Italy, of the Group of Seven (G-7) major industrialized nations, Foreign Ministry officials said.

The visit should also serve to strengthen political ties between Japan and the European Union, they said.

The trip was originally scheduled for January by then Prime Minister Morihiro Hosokawa, but was postponed until May due to tight domestic political schedules. [passage omitted on previously filed material]

It is extremely rare for a Japanese premier to leave the country so early into his term—a mere five days in Hata's case.

Hata, who was elected prime minister by the Diet on April 25, inaugurated a minority cabinet Thursday following the withdrawal of a key coalition ally, the Social Democratic Party.

Hata's 10 May Speech to Diet Previewed

*OW0105144594 Tokyo NHK General Television
Network in Japanese 1005 GMT 1 May 94*

[Announcer-read report over video; from the "NHK News 7" program]

[Text] Calling his new government an administration which will succeed the previous administration's effort to realize reforms, Prime Minister Tsutomu Hata, in his policy speech to be delivered at both the House of Representatives and the House of Councilors on 10 May, plans to disclose his idea that he will deal with the pending tasks, including tax system reform, in line with the platform agreed when the Social Democratic Party of Japan [SDPJ] was still in the coalition.

Calling his government an administration to succeed reform effort, the Prime Minister in his policy speech plans to emphasize the stance that his administration will continue to promote political, economic, and administrative reforms, which the Hosokawa administration tried to realize.

Regarding the tax system reform, which is a focal point of the reforms, he plans to explain that he will make a drastic change, centered around reduction of indirect taxes, on the basis of the coalition platform which the SDPJ and the ruling coalition parties agreed.

Moreover, on ways to deal with North Korea's suspected nuclear arms development, Hata will announce that his government will act in line with the platform. He will explain a plan that in addition to cooperation with the United States and the ROK, his government will act in concert with China if necessary.

On the issue of becoming a permanent member of the UN Security Council, Hata will indirectly express his desire by using expressions similar to the ones the Japanese Government used last July. The Japanese Government said last July that Japan was ready to fulfill all responsibilities it could possibly fulfill in the Security Council.

It seems that Prime Minister Hata decided to explain the stance of not reflecting Shinseito's [Japan Renewal Party's] individuality in his policy speech because he aims to continuously ask the SDPJ to come back to the minority coalition government.

Two Plead Guilty to Sending Bribe to Ishii

*OW2504125294 Tokyo KYODO in English 1016 GMT
25 Apr 94*

[Text] Tokyo, April 25 KYODO—Two former executive officials of major contractor Obayashi Corp. pleaded guilty Monday [25 April] to a charge that they sent a 10 million yen bribe in 1992 to then Sendai Mayor Toru Ishii, in connection with a municipal public works project.

Ishii, 68, denied taking any money from Obayashi and pleaded innocence.

Ishii's accomplice Mitsuo Moriya, 66, who was his one-time aide and charged with conspiring with the mayor to accept the bribe on Ishii's behalf, said he took delivery of the money but denied a prosecution contention that it was a bribe and that the two conspired to take it.

Ishii, Moriya and the two businessmen entered separate pleas at their first trial session at the Tokyo District Court on Monday.

It is the last in a series of trials on alleged payments to local government officials by major construction contractors.

The two Obayashi executives are Koreaki Hagiwara, 66, former vice president of Obayashi, Japan's fourth largest construction firm based in Osaka, and Juichi Konishi, 59, former head of the builder's Tohoku branch in Sendai.

The two are charged with giving the 10 million yen bribe to Ishii on Oct. 7, 1992.

Hagiwara and Konishi told the court they gave Ishii the money to help his mayoral election campaign, accepting a prosecution argument their action constituted bribery.

Ishii, who resigned as mayor after his arrest last year, is also on trial on charges of receiving bribes from several other major contractors in similar attempts to get orders for public works projects in Sendai.

A series of bribery scandals has implicated eight contractors—Hazama Corp., Shimizu Corp., Nishimatsu Construction Co., Mitsui Construction Co., Taisei Corp., Kajima Corp., Obayashi Corp. and Tobishima Corp. as well as Daishowa Paper Mfg. Co.

In the series, 31 people, including two governors, two mayors and more 20 executives of construction companies have been indicted.

The only remaining trial related to alleged bribery by major contractors is that of former Construction Minister Kishiro Nakamura expected some time between late June and early July.

Goda Takes 'Responsibility' for Payoff Scandal

*OW2604104994 Tokyo KYODO in English 1035 GMT
26 Apr 94*

[Text] Tokyo, April 26 KYODO—Shigeru Goda will resign as chairman of Sumitomo Heavy Industries Ltd. this week to take responsibility for the company's involvement in a payoff scandal, company officials said Tuesday [26 April].

Goda will step down and take up new duties as an adviser effective Thursday, the officials said.

They said Goda will consider whether to resign as head of the Japan Shipbuilders Association.

Mitoshi Ozawa will continue to serve as president of the company, the officials said.

A former executive of the company was arrested last February on suspicion of offering 10 million yen in bribes to a city assembly member in Tsukuba, Ibaraki Prefecture, in a bid to win an order for construction of a waste disposal facility.

The company also was reported to have offered bribes to local government officials in Niihama, Ehime Prefecture, and Gojo, Nara Prefecture, in connection with the construction of waste disposal and water treatment facilities.

Kono Urges Early Resignation of Hata Cabinet

*OW3004122494 Tokyo KYODO in English 1209 GMT
30 Apr 94*

[Text] Tokyo, April 30 KYODO—Opposition leader Yohei Kono urged Prime Minister Tsutomu Hata on Saturday to resign his post as soon as the Diet passes the fiscal 1994 budget.

Kono, president of the Liberal Democratic Party (LDP), made the appeal in an NHK television talk show videotaped Saturday to be aired Sunday. Kono said the country's two largest political parties, the LDP and the Social Democratic Party (SDP), have not participated in Hata's minority government, which is made up only of smaller parties.

He said the danger facing Hata is that his cabinet revolves around just one or two people who represent and manipulate all the parties in it, in an allusion to the coalition's two key strategists—Shinseito [Japan Renewal Party] Secretary General Ichiro Ozawa and Komeito Secretary General Yuichi Ichikawa. "The Hata administration will have nothing to do after the budget is passed by the Diet and we will seek it to hand over power at that stage," Kono said.

Debates on the budget up for parliamentary approval have been stalled during the transfer of power to Hata from his predecessor Morihiro Hosokawa, who stepped down earlier this month due to a scandal over his personal finances.

Kono said the LDP wants the next general election to be held under a new system combining single-seat and proportional representation formulas. He said he has in his mind the presentation of a no-confidence motion against the Hata cabinet to the Diet to force it to resign en masse. He indicated the LDP will promote collaboration with the SDP, which broke away from the ruling coalition Tuesday over a dispute with other alliance parties.

Chief Cabinet Secretary on Hata Cabinet's Tasks

OW0105213194

[Editorial Report] Tokyo FNN Television Network in Japanese at 2258 GMT on 30 April, during its "News 2001" program, broadcasts a live 26-minute panel discussion with newly-appointed Chief Cabinet Secretary Hiroshi Kumagai. The discussion is moderated by FNN announcers Yuji Kuroiwa and Tomomi Seki; political commentator Kenichi Takemura and Keio University Professor Yoshiaki Kobayashi also participate.

Kuroiwa first asks how Kumagai views the received opinion that the Hata cabinet will be short-lived. Kumagai says people tend to express sympathy, rather than congratulations, to him for assuming the post of the chief government spokesman, when they believe that current political conditions are the worst ever. However, he says: "I am resolved to work to extract politics from worst-case scenarios."

When asked what the top priority task for the new government is, Kumagai mentions political reform and stresses the importance of continuing reform efforts. He says: "I believe completing political reform is the most important task for Prime Minister Hata." He adds: "Finally, administrative and economic reforms have also started. Reform is not merely a word on everybody's lips, but is something to be achieved for Japan to continue to exist."

Next, Kuroiwa asks for Kumagai's comments on people's criticism that the new cabinet lineup was decided on only by Hata, Kumagai, and Shinseito [Japan Renewal Party] Chief Secretary Ichiro Ozawa. Kumagai denies the allegation, saying that Prime Minister Hata heard the opinions of many other people before forming the new cabinet. He then says it was inevitable for Hata to give many cabinet posts to Shinseito and Komeito [Clean Government Party] since the Social Democratic Party of Japan [SDPJ], the largest among the ruling parties, has left the ruling coalition.

Next, they discuss the issue of summoning to the Diet former Prime Minister Morihiro Hosokawa's secretaries as witnesses to investigate the scandal involving Hosokawa's receipt of a loan from a private company. Kumagai says he thinks Hosokawa has already assumed political responsibility for the stalled Diet business caused by prolonged arguments over his loan, noting: "It is not a matter for the Hata cabinet to decide how the

issue should be handled." But he predicts that Hosokawa's former secretaries may be summoned to the Diet.

They turn to the issue of worsening trade ties with the United States. Takemura says if the new government can ease trade friction between the two countries over the next two months, it will be a great achievement. Also, while showing the results of his survey of Diet members on an indirect tax hike, Professor Kobayashi says it is very important for Japan to decide whether to implement the tax hike and bring the decision to a Japan-U.S. summit meeting to be held immediately before the Naples summit in July. The survey shows that 48 percent of Diet members questioned support the tax hike, while 25.4 percent oppose it. After hearing this, Kumagai notes that the coalition platform agreed upon by the ruling parties and the SDPJ includes a plan to implement the tax hike, saying: "In the process of working out specific measures to implement the hike, we will tenaciously work to persuade the SDPJ to return to the coalition to carry out the policy platform with us."

Turning to the DPRK nuclear issue, Kuroiwa notes it is highly possible that if the United Nations Security Council [UNSC] fails to adopt a resolution, Washington will independently decide on economic sanctions against North Korea and ask Japan and South Korea to participate as well. Kuroiwa then asks Kumagai how Japan will respond to the U.S. call. Kumagai first expresses the hope that the worst-case scenario be avoided in dealing with the DPRK nuclear issue. He then stresses that since negotiations between North Korea and the international community to resolve the issue are in progress, he would like to refrain from commenting on this issue. He says: "Because I am a government official, I cannot comment on this at present. Also, I cannot comment because we are now closely watching how Pyongyang will respond [to the UNSC statement calling on the DPRK to accept full inspections], which is due in early May."

Asked about the flagging economy, Kumagai says: "Frankly speaking, I think it will take some time before we feel that the economy is picking up, since the after-effects of the bursting of the bubble economy still exist. But I believe the economy has passed through its worst stage."

Concerning a possible alliance with the Liberal Democratic Party [LDP], Kumagai says: "It may be possible for the coalition to establish a grand union with the LDP if both sides can agree on policies." But he stresses the importance of forming an alliance with the SDPJ first, saying: "We have to think about the SDPJ first. Because of our mistake, the party had to leave the coalition. So, we will keep our door open to them."

Noting that the enactment of bills on new constituency boundaries for the House of Representatives is necessary to hold the next general election under the new electoral system, which is a combination of single seat constituencies and proportional representation, Kobayashi asks

Kumagai when he think these bills will be enacted. Kumagai says: "It may be difficult to have them passed before the end of May. At any rate, the coalition platform says that the bills should be enacted before the end of the current Diet session."

In the end, Kumagai says that while emphasizing cooperation, the Hata cabinet will continue to uphold the torch of reform.

Discusses Continuing Reform

OW3004135694 Tokyo NHK General Television Network in Japanese 1005 GMT 30 Apr 94

[Announcer-read report; from the "NHK News 7" program]

[Text] Speaking with reporters today, Chief Cabinet Secretary Hiroshi Kumagai said the Hata cabinet will continue to pursue reformist policies which the Hosokawa government initiated and seek cooperation from the Social Democratic Party of Japan [SDPJ] which jointly ran the previous government in implementing those reformist policies.

[Begin Kumagai recording] Prime Minister Hata was involved in working out those reformist policies as deputy prime minister. I believe that the Hata government will inherit and develop the reformist policies which the Hosokawa government worked out. [end recording].

While speaking with the reporters, the chief cabinet secretary also stressed that the Hata government will promote political reform which still leaves the issue of drafting a bill on the demarcation of single-seat constituencies unresolved, economic reform to relax bureaucratic deregulations, and administrative reform to precipitate decentralization.

Chief Cabinet Secretary Kumagai commented on the discussion of ways to reform the current tax system by ruling coalition parties in a recent interview with the NHK and said as follows:

[Begin Kumagai recording] In the past, the SDPJ participated in the discussion. With the SDPJ breaking away from the coalition, however, the discussion is making little headway. Some are asserting that the discussion should be held without the SDPJ. It is important to promote reform of the current tax system in a way that we lure the SDPJ back to the coalition, but I believe that the SDPJ will absolutely not come back to the coalition. Therefore, we will have to make substantive efforts to make the SDPJ come back to the coalition. [end recording].

In this way, Mr. Kumagai indicated that as a minority government, the Hata government will carry out the reformist policies while giving consideration to the SDPJ.

With regard to the issue of Japan's participation in the collective self-defense set by the UN Charter, the government has so far taken the view that Japan's participation in the collective self-defense is tantamount to exercising the right of collective self-defense and that violates the Constitution. In this connection, Chief Cabinet Secretary Kumagai said the Hata cabinet does need to alter the view. Thus, he made it clear that the Hata cabinet does not intend to put into effect the idea of changing the interpretation of the Constitution that has been broached by Ichiro Ozawa, secretary general Shinseito [Japan Renewal Party].

Polls Taken on Hata Cabinet Approval Rating

OW0105113994 Tokyo KYODO in English 1127 GMT 1 May 94

[Text] Tokyo, May 1 KYODO—The new cabinet of Prime Minister Tsutomu Hata posted a 51.6 percent public approval rating, down 24.1 percentage points from last August's inauguration of the cabinet of his predecessor, Morihiro Hosokawa, a KYODO NEWS SERVICE public opinion poll showed Sunday [1 May].

The support for Hata's cabinet also represented a 3.5 percentage point decline from the 1991 inauguration of the cabinet of then Prime Minister Kiichi Miyazawa of the Liberal Democratic Party (LDP).

KYODO's telephone poll of 1,000 voters also showed that 31.3 percent disapproved of the Hata cabinet while the remaining 17.1 percent gave no clear answer.

A YOMIURI SHIMBUN survey published Sunday put the cabinet approval rating at 58.0 percent.

KYODO conducted the survey Friday and Saturday covering 486 men and 513 women aged 20 or older and picked at random throughout the country.

Hata, head of the ruling coalition's core party Shinseito [Japan Renewal Party], was elected prime minister last Monday and inaugurated a minority cabinet Thursday after the Social Democratic Party (SDP) quit the coalition.

The poll also said 37.4 percent supported the SDP's departure from the coalition, compared with 20.7 percent who would like to see the SDP rejoin the coalition, 41.1 percent who neither supported nor disapproved of the SDP's departure, and 0.8 percent who gave no clear answer.

Asked why the pollees supported the Hata cabinet, an overwhelming 48.3 percent replied that there is no other appropriate candidate, compared with 18.0 percent who showed trust in the new prime minister and 17.1 percent who expressed positive expectations of reforms.

Among the nonsupporters, 58.1 percent replied that Hata is under excessive influence by key coalition strategist Ichiro Ozawa, cofounder and secretary general of Shinseito.

The poll showed 18.5 percent of the nonsupporters view Hata's minority cabinet as unstable, 12.5 percent replied they cannot count on the cabinet's policies and 7.0 percent indicated concern with the exclusion of Japan's two largest political parties—the LDP and the SDP.

Asked to pick the most important policy item for the Hata cabinet, 44.4 percent of the pollees cited economic pump-priming, followed by 18.4 percent for tax reform, 16.7 percent for political reform, 5.5 percent for deregulation, 5.0 percent for national security, and 4.7 percent for improvement of Japan-U.S. relations.

The poll said 39.8 percent predicted the Hata cabinet to last about half a year, while 29.3 percent indicated one year, 20.9 percent said two or three months, and 6.1 percent predicted two years or longer.

Those approving of the inauguration of the minority government reached 32.1 percent, while 32.9 percent expressed concern, and 33.7 percent expressed neither approval nor concern.

Of those who expressed concern, 71.4 percent called for an early dissolution of the House of Representatives for a snap general election, 21.3 percent proposed soliciting members of the LDP and SDP to form a majority ruling force, and 3.3 percent urged the Hata cabinet to resign en masse.

The LDP, the largest opposition party, was the most popular among the respondents garnering support of 17.2 percent, down from 18.3 percent in February.

Hata's Shinseito ranked second at 12.2 percent, up from 6.4 percent, the SDP ranked third at 11.2 percent, up from 9.2 percent.

Komeito, a coalition party backed by the country's biggest Buddhist lay organization Soka Gakkai, garnered support of 4.4 percent, up from 3.3 percent, and new party Sakigake rose to 2.9 percent from 2.1 percent.

Hosokawa's Japan New Party, which enjoyed booming popular support in last July's general election, suffered a crushing setback as voter support dropped to 2.1 percent from 8.2 percent.

Last month, three members left the JNP because of differences with the party leadership over the party's approach to Shinseito.

The number of voters who do not support any particular party remained unchanged at 42.3 percent.

May Day Rallies Held in 1,200 National Locations

*OW0105025794 Tokyo KYODO in English 0158 GMT
1 May 94*

[Text] Tokyo, May 1 KYODO—About 3.7 million workers took part in annual May Day events Sunday [1 May] in 1,200 locations nationwide to demand better working conditions and more jobs.

As in past years, labor unions affiliated with the Japanese trade union confederation (Rengo) and anti-Rengo union forces held separate gatherings.

At Yoyogi Park, near the Imperial Palace in central Tokyo, about 250,000 people attended a rally sponsored by Rengo, Japan's largest labor group.

Besides Rengo leader Akira Yamagishi, coalition government leaders and Social Democratic Party Chairman Tomiichi Murayama, whose party last week seceded from the government, were present at the gathering.

Yamagishi called for more solidarity among the 8 million-strong Rengo workers to protect their organizations in dealing with complex political situations resulting from the first minority government since 1955.

From the coalition government, Labor Minister Kunio Hatoyama, director general of the Management and Coordination Agency Koshiro Ishida, who is also Komeito [Clean Government Party] chairman, delivered May Day addresses at the rally.

Rengo had planned to invite Prime Minister Tsutomu Hata as the head of the new government launched on April 28 but gave up the plan because the SDP now became an opposition by leaving the regime.

In Kameido Chuo Park in Tokyo, members of unions in the National Confederation of Trade Unions, which has close links with the Japanese Communist Party, held a separate rally.

EPA Chief: Business Generally in Bad State

*OW2804160294 Tokyo KYODO in English 1506 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—The government's new chief economic planner said Thursday [28 April] business is still generally in a bad state despite some bright spots. Yoshio Terasawa, director general of the Economic Planning Agency, made the comment at a news conference after the first meeting of the new cabinet led by Tsutomu Hata.

On a proposed tax reform, he indicated the need for further administrative streamlining and further deregulation prior to any raise in the consumption tax.

Retail Sales Reportedly Fell 3 Percent in Mar

*OW2704054694 Tokyo KYODO in English 0527 GMT
27 Apr 94*

[Text] Tokyo, April 27 KYODO—Sales at Japan's large retailers dropped 3.0 percent in March from a year before to 1,759.5 billion yen, the Ministry of International Trade and Industry (MITI) said Wednesday [27 April].

It was the 22nd straight month for sales at major retailers to decline from year-earlier levels, the ministry said in a preliminary report.

MITI said the poor performance in the reporting month reflected continued price-consciousness among consumers.

A spell of bad weather in the latter half of March also adversely affected retail sales, MITI said.

Sales at 420 department stores fell 4.2 percent to 940 billion yen, marking the 25th straight month of year-to-year declines, it said.

Sales at 2,056 supermarket chains dipped 1.5 percent from a year earlier to 819.6 billion yen, for the 20th straight month of falls.

March sales of clothing at department stores decreased 5.3 percent from a year before while clothing sales at supermarket chains fell 6.4 percent.

Total clothing sales for the reporting month dropped 5.6 percent for the 20th month running of year-to-year declines.

Sales of spring clothing were sluggish due to unusually cool weather in the month, while sales of business suits continued to fare poorly, MITI said.

Sales of food and beverages edged up 0.4 percent overall, with a 0.2 percent pickup at department stores and a 0.5 percent gain at supermarket chains.

Food and beverage sales grew for the third month in a row on brisk demand for products for daily use.

Sales of small items of furniture picked up but high-priced furniture performed poorly.

General household equipment sales were slack.

Sales of household electrical appliances grew 8.1 percent at supermarket chains but fell 6.5 percent at department stores.

Retail Prices of Tokyo-Controlled Rice Decline

OW2704112394 Tokyo KYODO in English 1101 GMT 27 Apr 94

[Text] Tokyo, April 27 KYODO—Retail prices of government-controlled rice took a steep downturn in March with large amounts of inexpensive imported rice on sale, a government report said Wednesday [27 April].

Medium to short grains, such as Chinese and California rice, were priced on average at 4,100 to 4,300 yen per 10 kilograms, about 2,000 yen less than the average 6,365 yen that top quality domestic rice fetched the previous month.

Thai rice, at about 3,000 yen per 10 kilos, sold for less than half the February price for domestic rice, while prices for foreign rice blended with Japanese rice stood at 4,300 to 5,200 yen, 1,000 to 2,000 yen lower.

Meanwhile, prices of domestically-grown rice being traded outside government-approved channels kept

sliding as sufficient supplies of imported rice have eased consumer worries about the availability of the staple grain, market sources said.

For instance, wholesale prices for the popular koshihikari brand of rice grown in the central areas of Niigata Prefecture have recently dropped below the 50,000 yen line per 60 kilogram sack for the first time in two years.

The downfall in domestic rice prices has led some analysts to declare that the price run-up seen after last year's poor harvests and massive hoarding by consumers has finally come to an end.

Rice Databank Inc., a research firm specializing in rice, said producers and wholesalers, believing that black market rice prices have peaked, are in a hurry to unleash their stocks onto the market.

As an example, a Kansai-based dealer on the black market said he wants to sell his stocks by August, when early-harvested rice will start to appear on the market.

North Korea

Diplomat: Fuel Rod Replacement Cannot Wait

OW2904120194 Tokyo KYODO in English 1112 GMT 29 Apr 94

[Text] Beijing, April 29 KYODO—A North Korean diplomat said Friday [29 April] the replacement of spent fuel rods at a nuclear power plant cannot be postponed and replacement of the rods will go ahead with or without the oversight of the International Atomic Energy Agency (IAEA).

"If the production of electricity is to continue, then it is necessary to change the fuel rods... The matter of changing the fuel rods is in no way related to the agency (IAEA)," said Tae Chong-chae, a minister at the North Korean embassy in Beijing.

Last week North Korea invited IAEA inspectors to view the removal of the rods at an experimental nuclear reactor at Yongbyon, a key nuclear facility suspected by the west of producing weapons grade plutonium.

The IAEA has yet to respond to the invitation and is awaiting Pyongyang's response to IAEA demands concerning the history of the plant.

A team of IAEA inspectors sent to North Korea in March returned to their home base in Vienna claiming that North Korean officials had interfered with their two-week inspection, leading to a further deterioration in the yearlong standoff over Pyongyang's suspected nuclear weapons program.

Korean SDP Spokesman Views Nuclear Issue

SK0105084794 Pyongyang KCNA in English 0827
GMT 1 May 94

["Nuclear Development of S. Korean Puppet Clique denounced"—KCNA headline]

[Text] Pyongyang, May 1 (KCNA)—A spokesman for the Central Committee of the Korean Social Democratic Party [SDP] in a statement on April 30 branded the nuclear arms development of the South Korean puppet clique as an open challenge to the desire of the whole nation for peace and peaceful reunification on the Korean peninsula and an unpardonable criminal act of reducing to a waste paper the "agreement on reconciliation, nonaggression, cooperation and exchange between the North and the South" and "joint declaration on the denuclearization of the Korean peninsula".

The statement says:

The DPRK already proposed at talks with the United States to replace graphite moderated nuclear reactors by light water reactors in order to remove the "suspicion" of the United States and international reactionaries and reached even an agreement on the way of it.

Therefore, if the graphite moderated nuclear reactors are replaced by light water reactors, the "suspicion of nuclear development" by the DPRK will be removed. But the United States is raising a hue and cry over "suspected nuclear development", while failing to implement the agreed points. This is an outrageous act.

The South Korean rulers must admit of their own accord that the heavy water reactor in Wolsong and the multi-purpose research reactor in the Taedok complex are reactors for the development of nuclear weapons, take a measure to eliminate them, open to the public the truth of the secret development of nuclear weapons they have stepped up while trying to do harm to the DPRK, apologize for it before the nation and remove the already stockpiled nuclear materials.

If the South Korean authorities continue the adventurous development of nuclear weapons in defiance of protest and denunciation from the entire Korean people and international public, they will be held fully responsible for all consequences from it.

The United States and the International Atomic Energy Agency must renounce the unfair policy of double standard in nuclear inspection, refrain from putting "pressure" on the North which has no intention to produce nuclear weapons, and take issue with the nuclear development of the South Korean authorities and bring chief culprits to the dock.

Japan Condemned for 'Crackdown' on Chongnyon

SK3004021094 Pyongyang Korean Central
Broadcasting Network in Korean 2200 GMT 29 Apr 94

[Text] A spokesman for the DPRK Foreign Ministry issued the following statement denouncing the Japanese authorities' hostile maneuvers [choktaesi chaektong] against the General Association of Korean Residents in Japan [Chongnyon], a dignified overseas citizens' organization of our Republic, which are reaching a grave extent these days.

A Statement of a Spokesman for the DPRK Foreign Ministry:

The Japanese authorities' hostile maneuvers against Chongnyon, a dignified overseas citizens' organization of our Republic, are reaching a grave extent these days.

Some time ago, the Japanese authorities sent scores of mobile police vehicles and some 1,000 policemen who encircled and threatened the Osaka Prefectural headquarters of Chongnyon all day and kicked up a violent row, forcibly searching office rooms of the headquarters, residences of its responsible functionaries, and its affiliated organizations.

Prior to this, the Japanese rightist gangsters, under the behind-the-scenes manipulation of the authorities, crowded to the central headquarters of Chongnyon and its affiliated organizations and made a reckless disturbance, chanting, "Koreans go home," and "Disband the Korean Chongnyon." Thus debasing the dignity of the Korean residents in Japan, they even committed a crime of murdering a Chongnyon businessman.

This is a hostile act of encroaching upon the sovereignty of Chongnyon and violently trampling upon the democratic national right of the Korean residents in Japan and a challenge to our Republic which cannot be overlooked.

Facts show that the Japanese reactionary authorities' direct suppression of Chongnyon has begun and that their hostile policy against our Republic has reached a reckless stage.

In Japan, which claims itself to be a law-governed state, the police pounced upon and kicked up a row in broad daylight against the legitimate Chongnyon organizations which they should protect. Crowding in groups, the gangsters are openly committing murder and violence, encroaching upon human rights against the Korean residents in Japan. This is really surprising.

There have been numerous instances of Japanese authorities' hostile acts and suppression against Chongnyon and the Korean residents in Japan. But the incidents such as noted above have occurred for the first time since the formation of Chongnyon and are arousing an unbearable indignation of all the Korean people and the Japan-resident Koreans. We resolutely denounce the Japanese reactionary authorities' crime as part of the anti-DPRK, anti-Chongnyon maneuvers.

We cannot but take a serious note of the fact that the Japanese authorities are conducting a suppression of Chongnyon and Koreans in Japan, while intentionally aggravating the situation over the fictitious nuclear issue of the DPRK at the instigation of the United States.

Chongnyon is a peace-loving organization whose activities are officially recognized by the Japanese authorities and Japanese law and which enjoys the full support of many countries and organizations in the world. There is neither reason nor ground for Chongnyon to be an object of a crackdown by the Japanese authorities.

Moreover, Korean compatriots in Japan are innocent Korean people who were forcibly taken to Japan and subjected to hard toil under the brutal Japanese imperialist rule, and their descendants. Therefore, special protection must be granted to them by the Japanese authorities.

However, far from apologizing for and liquidating the past crimes committed against the Korean people, the Japanese authorities are engaging in the suppression of Koreans in Japan and their legitimate organizations. This is an unpardonable act.

We will consider any crackdown on Chongnyon an encroachment upon the dignity and sovereignty of our Republic and resolutely counter it [kue tanhoi taehunghae nagalkosida].

The Japanese authorities should ponder over the grave consequences to be entailed by their reckless acts, immediately stop their crackdown on Chongnyon and Korean compatriots in Japan and apologize for it.

We express the hope that all the progressive personages and broad sections of people in Japan and the world will continue to express support and solidarity for the righteous activities of Chongnyon for its democratic national rights and national reunification.

29 April, 1994, Pyongyang.

KCNA on Japanese 'Crackdown'

SK3004105694 Pyongyang KCNA in English 1021 GMT 30 Apr 94

[Text] Tokyo, April 28 (KNS-KCNA) [dateline as received]—Officials of the General Association of Korean Residents in Japan (Chongnyon) and other organizations and Korean residents in Japan are lifting up louder voices of protest against the Japanese authorities openly cracking down on Chongnyon, clamouring about fictitious "nuclear suspicion of the North".

Kim Chong-mun, chairman of the Higashinari branch of the Osaka prefectural headquarters of Chongnyon, said that the Korean compatriots in Japan got angry with the fascist crackdown on the prefectural headquarters and its branches by the Japanese police and that they would

meet the intolerable challenge of the reactionaries with a united force and make all efforts to defend their organizations and the nation.

Kim Ae-min, chairperson of the Higashiyodogawa, Osaka Prefecture branch of the Democratic Union of Korean Women in Japan, said that they would further consolidate the singlehearted unity and counter the suppression by the reactionaries with a struggle.

Hong Chang-kwang, director of the organization department of the Taito branch of the Tokyo metropolitan headquarters of Chongnyon, strongly demanded that Japanese authorities immediately stop the crackdown on Chongnyon and Korean residents in Japan, saying that the recent incident is a product of the national chauvinist policy of the Japanese Government authorities.

Yi Chu-song, chairman of the Kanto District headquarters of the union of Korean students studying at Japanese schools, warned that if the Japanese authorities continued to pursue the hostile policy against Korea and Korean nation without repentance of their past colonial domination over Korea, they would face the strong denunciation of the Korean residents in Japan and conscientious people of Japan.

Kim Chong-kil, director of the International Department of the Fukuoka prefectural headquarters of Chongnyon, and Choe In-chol, vice-chairman of the Tokyo metropolitan headquarters of the League of Korean Youth in Japan, denounced the forcible search by the Japanese authorities as total challenge of Japan to Chongnyon.

On April 27, officials of Chongnyon organizations of different levels and Korean residents in Japan staged a protest against the Osaka prefectural police headquarters and the Higashi police station of Osaka Prefecture.

Branches of the Osaka prefectural headquarters of Chongnyon held protest meetings.

ROK, Japanese 'Cooperation System' Denounced

SK0205105194 Pyongyang KCNA in English 1042 GMT 2 May 94

["Sinister Confab To Strengthen 'Cooperation System'"—KCNA headline]

[Text] Pyongyang, May 2 (KCNA)—The traitor Kim Yong-sam reportedly called Hata, the new prime minister of Japan, on the phone on May 1 and agreed with him to strengthen the "cooperation system" between South Korea, Japan and the United States on the pretext of North Korea's "nuclear issue".

Abominable, indeed, is the act of the traitor Kim Yong-sam who ringed up Hata, who had consistently been engaged in the anti-DPRK campaign, as soon as the latter seated himself in the prime minister's office, to

"congratulate" him upon his "assumption of office" and agreed with him to strengthen "cooperation system" against the DPRK.

In the phone call the traitor Kim threw his weight behind the "unstable Hata regime" by saying "stability of the Japanese political situation is beneficial to Asia as a whole". And he ridiculously begged Hata to maintain the "foundation of diplomacy and cooperation in the international community" which had been agreed upon between South Korea and Japan while Hosokawa was in office.

This eloquently tells that the Kim Yong-sam group is a group of special-class pro-U.S., pro-Japanese sycophant traitors who cannot subsist even a single day without the backing of the United States and Japan.

Hata, taking issue with the DPRK's "nuclear issue", said he would "maintain a steadfast stance" and "carry forward the Japan-South Korea cooperation system" established during Hosokawa's office as prime minister. This vividly indicates the Japanese authorities' insidious attempt to take an active part in the moves to isolate and stifle the DPRK.

It is a futile attempt for the South Korean puppets and the Japanese reactionaries to try to contain the DPRK militarily through tieup with each other.

The Kim Yong-sam group must refrain from seeking a system to do harm to the nation, clearly mindful that the invocation of a "cooperation system" would finally result in ruining themselves. And the Japanese reactionaries had better discard their anachronistic daydream of harming others and act with discretion.

Japanese Officials' Nuclear Issue Remarks Noted

SK0205061694 *Pyongyang KCNA in English 0505*
GMT 2 May 94

[Text] Pyongyang, May 2 (KCNA)—The new director general of the Japan Defence Agency recently told a press conference upon his assumption of office that, depending on the tensions growing on the Korean peninsula, they should "cope with it even by altering an interpretation of the Constitution". Earlier, the new Japanese Prime Minister, Hata, raved that "a constitutional debate should be made in the direction of recognizing Japan's exercise of the right to collective self-defence in case of 'emergency' so as to provide against the nuclear issue of North Korea".

A NODONG SINMUN analyst today says this shows that the Japanese reactionaries are scheming to justify their moves toward a military power and nuclear armament on the pretext of the DPRK's "nuclear issue" and, at the same time, to use it as an excuse for military reinvasion of Korea.

The news analyst goes on:

The Japanese reactionary ruling quarters' talk about "constitutional debate" and "legislative measures" to cope with "emergency" on the Korean peninsula is intended to lay a legal foundation for military aggression on Korea on the pretext of the DPRK's "nuclear issue".

In other words, they are intending to malrevise the present constitution and the "self-defence forces act" on the pretext of "coping with" the "nuclear issue" of the DPRK and thus to stage a comeback to Korea militarily without any restrictions and give a semblance of legitimacy to it.

Noteworthy is that the Japanese reactionaries openly revealed their scheme to stage a comeback to Korea at a time when the United States has become all the more undisguised in its anti-DPRK campaign.

The Japanese reactionaries are further strengthening their collusion and tieup with the United States and the South Korean puppets, unusually becoming undisguised in their anti-DPRK moves. It is not fortuitous that confabs were held recently between the military brass-hats of the United States and Japan and between those of Japan and the South Korean puppet army to "cope with North Korea's nuclear issue" and agreements were reached between them on strengthening military cooperation.

All this proves that the Japanese reactionaries' scheme for military reinvasion of Korea is being promoted at a dangerous phase. The Japanese reactionaries, however, will get nothing from their policy hostile to the DPRK and moves for military re-aggression.

They must ponder over grave consequences to be entailed by their policy hostile to the DPRK and stop running recklessly.

Ministry Denounces Export Control Mechanisms

SK0205104694 *Pyongyang KCNA in English 1035*
GMT 2 May 94

["No Export Control Apparatus Will Have Effect on DPRK, Declares Foreign Ministry Spokesman of the DPRK"—KCNA headline]

[Text] Pyongyang, May 2 (KCNA)—The spokesman for the Foreign Ministry of the Democratic People's Republic of Korea declared that just as the "Coordinating Committee for Export to Communist Area" (Cocom) [Coordinating Committee for Multilateral Export Controls] had no effect on the DPRK in the past, the second "Cocom" and any other international export control apparatus will have no effect on it.

"We will not be frightened by the appearance of any export control apparatus," the spokesman said.

The spokesman made this stand clear, answering a question put by KCNA today concerning the moves of the United States and other Western countries to bring

into shape the second "Cocom", another export control machine, in the wake of the dismantling of the "Cocom".

The spokesman said:

"In making haste with the formation of a new export control apparatus, the United States seeks to bar the developing countries from making an independent progress through economic and scientific- technological development and subjugate them and, at the same time, restrict and control the economic and trade relations of the Western countries with the developing countries through the medium of this apparatus. Judging from this, the 'development' and 'prosperity' of the international community harped on by the United States are all an empty talk intended to conceal its wild design to establish its domination and gain world supremacy.

"It must not go unnoticed that the DPRK and other developing countries have been designated as objects of control by the export control machine to be knocked into shape under the pretext of 'preventing threat to world peace'.

"As far as the threat to world peace is concerned, it comes from the United States and its followers, not from the developing countries. This is an undeniable fact.

"The developing countries are on guard against the scheme of the United States and other Western countries to frame up the second 'Cocom' for economic blockade on them. What is important at present is for the developing countries to substantially realise South-South cooperation on the principle of collective self-reliance.

"The Western countries must not make light of the attempt of the United States to have the field to itself in the economic domain."

U.S. 'Aerial Espionage' in Apr Detailed

SK3004044494 Pyongyang KCNA in English 0415 GMT 30 Apr 94

[Text] Pyongyang, April 30 (KCNA)—The U.S. imperialists have continued aerial espionage on the northern half of Korea in April by bringing Pacific-based RC-135 strategic reconnaissance planes, E-3 early warning planes and P-3 anti-submarine planes, according to military sources.

On April 29 and 28, an overseas-based E-3 early warning plane made aerial espionage on the strategic in-depth areas of the northern half of Korea in the skies above Yangpyong, Umsong and Tanyang, South Korea.

On April 27 and 22, an Okinawa-based RC-135 strategic reconnaissance plane flew to South Korea and carried out photographing and electronic espionage on the whole area of the northern half of Korea in the sky above the Military Demarcation Line.

On April 29, a U-2 high-altitude strategic reconnaissance plane based in South Korea committed an aerial espionage on the strategic depth and inland areas of the northern half of Korea in the skies above Tokjok Islet, Yangpyong and Yangyang, South Korea.

On April 22 and 21, over 30 spy planes including RV-1s, RC-12s and RF-4Cs staged round the clock aerial espionage.

Aerial espionage of the U.S. imperialists have become more frequent with the start of the hwarang war game of the South Korean puppets.

The espionage committed by the U.S. imperialists in April against the northern half of Korea numbered more than 250.

Facts fully prove how desperately the U.S. imperialists are running about in their preparations for a war of aggression to stifle the DPRK with arms.

Armed Forces Minister Meets Indonesian Envoy

SK0205110894 Pyongyang KCNA in English 1036 GMT 2 May 94

[Text] Pyongyang, May 2 (KCNA)—Minister of People's Armed Forces O Chin-u on May 2 met and had a conversation with Indonesian Ambassador to Korea R. Muhamed Muharam Sumadipradja, who paid a farewell call on him.

WPK Secretary Delivers May Day Report

SK0205115694 Pyongyang Korean Central Broadcasting Network in Korean 0803 GMT 30 April 94

[Report by WPK Secretary Kim Chung-nin at the central report meeting marking May Day held at the People's Palace of Culture in Pyongyang—live]

[Text] Comrades: Today, we are meaningfully marking May Day, the international holiday of the workers around the world, at a time when all working people, including the working class, are vigorously waging the general onward movement of socialism in the high revolutionary spirit under the banner of the chuche idea and under the anti-imperialist banner for independence.

On this day, I warmly congratulate the entire working class and working people, who are striving hard for the development and enrichment of the socialism of our own style and the victory of the chuche revolutionary cause, under the authority and in the name of the Workers Party of Korea [WPK] Central Committee. [applause]

I extend militant greetings to the workers and people of different strata in South Korea, who are fighting courageously for the anti-U.S. struggle for independence, democratization, the peaceful reunification of the fatherland, and the right to live, looking upon the Republic as the beacon of hope. [applause]

I offer warm compatriot greetings to .7 million fellow countrymen in Japan and all other fellow countrymen abroad, who are retaining the nation's sovereignty and honor and are vigorously waging the patriotic struggle for the prosperity of the socialist fatherland and the independent, peaceful reunification of the fatherland. [applause]

I, in the name of the WPK Central Committee and the Korean working class, extend militant greetings and firm solidarity to the working class and working people around the world, who are fighting for independence, peace, social progress, and justice while opposing all sorts of domination and subordination. [applause]

Comrades: Over a century of history has passed since the working class, who has a noble mission to realize the ideal of mankind and to forever relinquish the exploitation system from earth, began celebrating the militant holiday demonstrating its international solidarity and united strength.

This period has been a history of a righteous struggle and brilliant victory waged by the working class throughout the world that strenuously struggled for the freedom and liberation of the maltreated proletarian masses against the imperialist reactionary forces, holding aloft the banner of unity.

The great leader Comrade Kim Il-song has taught: Unity is the mightiest weapon of the working class. Since its first days in the arena of history, the working class has always regarded unity as its most precious weapon in the struggle against international capital, and has won formidable struggles on the strength of unity.

The historic mission of the working class lies in building socialism, communism, and a new world in which the independence of humans can be fully realized. The working class has waged audacious struggles befitting the leading class of the revolution to build a new society free from exploitation and oppression by breaking the chains of capital. The working masses have demolished the bulwark of capitalism and triumphantly blazed the trail of socialism with the weapon of unity, the might of unity, overcoming manifold difficulties and trials.

Thanks to the international working class' long and difficult struggles to realize independence, a revolutionary upheaval has been brought about in the development of human history and the features of the world have been fundamentally changed.

In an old era, the working popular masses were suppressed, exploited, and forced to endure all sorts of social unfairness for a long time. However, such an era has ended and a new one has opened in which all nations of all countries can pioneer their fate voluntarily.

Breaking through the capitalist and imperialist positions which had dominated the world for centuries and opening a broad avenue to socialism—this is the great change achieved on the course of implementing the

working class' revolutionary cause and the historic triumph achieved by the world revolutionary people with blood. [applause]

The working class' cause is accompanied by the serious struggle of whether it is socialism or capitalism, and thus this can never be realized smoothly. Under the condition in which the reactionaries of history, in united forces, are running wild to desperately block the popular masses' independent onward march, and the imperialists and reactionaries are perpetrating endless attacks and all kinds of armed maneuvers, there could be unexpected difficulties and heartbreaking sacrifices in the confrontation between revolution and antirevolution.

Amid the imperialists and reactionaries' antisocialist blockade, which has become unprecedentedly vicious in recent years, socialism in some countries, which had been defended and developed for tens of years, has suffered a setback and capitalism has been restored. Taking advantage of this abnormal situation, the imperialists and reactionaries vilify the idea of socialism, the idea of the working class, itself as wrong, claiming that socialism has met its end. But this is no more than a reactionary sophism of the foes of socialism and its renegades. Even though socialism has suffered in some countries, this is nothing but a limited and temporary phenomenon.

Socialism, which has vibrant vitality, is the future of mankind. No force can hold back the basic trend of the history of mankind marching toward socialism.

Today, billions of working people around the world are waging the struggle for the right to live and freedom in defense of independence. In particular, former socialist countries are now vigorously pushing ahead with the struggle to carry out their independent demands, being well aware of the fact through their actual experiences that capitalism only devoted to the pursuit of money will only bring poverty to their working popular masses and that socialism is the only way to live.

Everywhere in the world now, fraternal unity is being rebuilt, and communists and the working popular masses are rising in the grand struggle for socialism.

The widespread movement for the revival of socialism is being waged in the countries where it has suffered a setback. The extensiveness of such a mass movement and political struggles can be clearly seen from the fact that the number of foreign parties signed the Pyongyang Declaration "Let Us Defend and Advance the Socialist Cause" has increased from 70 to 213 in two years.

All these facts vividly show that no matter how the imperialists and those who attempt to return to the bourgeois vilify the idea of socialism, socialism is alive in the hearts of thousands of people; mighty revolutionary parties for socialism still exist in the world; and no force can check the working class' struggle for socialism.

If the international working class is to defend the cause of socialism and promote it, it must constantly strengthen the driving force of the revolution with a correct guiding idea and must resolutely uphold the principles of socialism and strengthen solidarity based on independence. This is an important lesson that the history of the international working class struggle which has suffered setbacks and twists has taught.

The working class of our country has victoriously waged an arduous struggle to defend and adhere to socialism, firmly upholding the *chuche* idea—the guiding idea of the revolution of our times founded by the great leader Comrade Kim Il-song—and under the outstanding leadership of the dear leader Comrade Kim Chong-il, thus always being loyal to the national and international duties.

The working class of our country upheld the great leader Comrade Kim Il-song as the center of unity and the center of leadership. By dint of this, the working class of our country was able to enter the road of a new struggle with precise struggle line and with organized force.

The respected and beloved leader Comrade Kim Il-song founded the immortal *chuche* idea and awakened and organized the broad sections working masses including the working class under its banner, thus providing the revolution with its strong main force. Based on this, he led the difficult and complicated Korean revolution along the single road of victory.

Over the past years, our people were single-handedly able to win a shining victory in the long, arduous anti-Japanese revolutionary struggle against the 1 million-strong well-armed Japanese imperialist army. This was possible only because the great leader Comrade Kim Il-song organized the anti-Japanese patriotic force of various strata, including workers and peasants, into an independent revolutionary force under the anti-Japanese banner, rousing this force to the anti-Japanese war, while continuously expanding and strengthening it

Our working class and people, firmly united around the party and the leader, established our-style people's democratic system free from exploitation, oppression, poverty, and unemployment in the northern half of the republic after the liberation under very difficult and complicated circumstances by their independent *chuche* might. In the fiercely-fought three-year Fatherland Liberation War, they won a great victory of defeating the U.S. imperialists, the leader of world imperialism, for the first time in history. [applause]

Our working class and people waged a steadfast socialist revolution and socialist construction in the period of trials after the war as well based on strong *chuche* force, turning our country into a strong independent, self-reliant, and self-defending socialist state.

Truly, the entire course of our revolution that involved stern trials and epochal changes has been a proud triumphant history in which we strengthened the independent

main force of the revolution and made a long march flushed with victories based on its might under the leadership of the great leader Comrade Kim Il-song.

The revolutionary cause of the working class does not end in one generation. It is a cause inherited and completed generation to generation. To achieve an ultimate completion of this historical cause, the problem of leadership succession must be solved properly. The dear leader Comrade Kim Chong-il is an outstanding ideologist and theoretician, great statesman, great military strategist, and the paragon of a true loyalist and dutiful child who has both literary and military accomplishments and is distinguished in his loyalty and filial duty.

The sacred *chuche* revolutionary cause pioneered by the great leader is brilliantly inherited and developed in our country today by upholding the dear leader Comrade Kim Chong-il, who has excellent traits and qualifications of the leader [*suryong*] of the working class and the leader [*yongdoja*] of the people, at the supreme top [*choego suwi*] of the party, the state, and the army. [applause]

The ultimate victory of the *chuche* revolutionary cause is firmly ensured because the entire party membership, all the people, and the entire army uphold the great leader's lofty will in wholehearted unity around the dear leader Comrade Kim Chong-il and are exerting their creative might thoroughly in the revolution and construction in conformity with the intent of the party and the leader.

The dear leader Comrade Kim Chong-il has wisely led the struggle to accelerate the revolution and construction based on the might of the wholehearted unity of the leader, the party, and the masses by persistently keeping up the three revolutions—ideological, technological, and cultural—as a general line of socialist construction in conformity with the new conditions after the socialist revolution triumphed and a socialist system was established in our country.

What is most important in accelerating socialist construction and defending, adhering, and adding luster to the cause of socialism is to arm the members of the main force of the revolution firmly with the socialist ideology so that they can cherish socialism as their firm faith.

Whether we can arm people with socialist ideology or not is a fundamental problem connected with the fate of socialism. The superiority of socialism is the superiority of ideology, and the might of socialism is the might of ideology. Therefore, neglecting the ideological revolution is losing the life line in building socialism. For this reason, our party has consistently maintained the principle of giving definite priority to the ideological revolution in the struggle to build socialism, and is continuously deepening and developing it in conformity with the advance of the revolution and construction.

The dear leader Comrade Kim Chong-il further developed and enriched the socialist ideology based on the *chuche* idea, and exercised his wise leadership so that all

the people can make the *chuche* socialist ideology their faith and morality. By so doing, he ensured that our socialism takes root deep in our people's hearts and actual life.

With firm faith that socialism means victory for those who keep it and death for those who abandon it, the working class and people of our country today are devoting themselves to the rewarding struggle to further strengthen socialist might with overflowing faith and optimism for the future. The communist ethos of working and living in a revolutionary manner, helping and encouraging each other from the principle of collectivism of one for all and all for one, is highly displayed by them.

The ranks of unheralded heroes, men of merit, and forerunners of communist virtue who wage a devoted struggle silently are increasing with each passing day. The leader, the party, and the masses are firmly united as a sociopolitical living organism sharing life, death, and destiny so that the entire society consists of a great revolutionary family of loyalists and dutiful children. This is the true feature of our society of which we can boast with pride to the world. [applause]

This shows that the slogan of abolishing class, which was raised aloft on the very first day when the working class appeared on the stage of history, has come true in our country today.

Today when we can clearly see at hand the day of the complete victory of socialism under the wise leadership of the dear leader Comrade Kim Chong-il, we take great pride and faith in the superiority of our-style socialism which we ourselves have chosen and pioneered on our own and its future.

Socialist society is the world for the working class. Our-style socialism, in particular, is the *chuche* socialism in which the party and the popular masses are firmly united and *chuche* is firmly established in all areas—political, economic, cultural, and military. It is the popular mass-centered socialism in which the people's independent and creative life thrive fully and in which the working class and the working people are masters of everything. It is the most solid and vital invincible socialism in which society develops continuously by the might of wholehearted unity.

The most precious wealth that our party brought forth in the long struggle for socialism under the banner of the *chuche* idea is the realization of the wholehearted unity of the leader, the party, and the masses. Our wholehearted unity is the ideological, volitional, moralistic, and fidelity-oriented unity and cohesion, and a revolutionary unity having eternal vitality. There is no power in the world that can destroy our wholehearted unity. [applause]

The complete unity among the leader [*suryong*], the party, and the masses, which we have achieved, is the

basic factor, in resolutely smashing [*chipusigo*] any challenge of the imperialists and determinedly defending and safeguarding our-style socialism, and it is a strong driving force with which to brave a raging wind of antisocialism and to forcefully accelerate the socialist construction.

Indeed, the greatest dignity and pride of our working class and people are to build an invincible socialist powerful state which opens the path to becoming ever victorious only with its trust in its own strength and with its own might, while carrying out everything in our own way holding faith in *chuche*, in an unflinching manner in the teeth of any change in situation and the pressure from the imperialists.

Our working class and people are setting store by our-style socialism like their own lives and are full of the revolutionary determination to defend socialism to the end with the firm faith in the justness of the socialist cause and its future path.

The revolutionary cause of the working class is the international one, and the Korean revolution is a part of the world revolution. To consolidate the solidarity with the international revolutionary forces is an (?important) guarantee to advance the victory of the Korean revolution and carry forward the socialist cause throughout the world.

The slogan "The world's people defending independence, unite!" is a slogan for struggle which all people of our era should hold jointly. In the preceding period, our country's working class exerted itself to consolidate the militant unity and international solidarity with the working classes and progressive people of all world countries on the basis of its (?faith) in independence and socialism under the party's leadership. It actively contributed to the struggle to reliably defend the eastern outpost of socialism and make the whole world independent.

Under the anti-imperialist, pro-independence banner, we have supported the anti-imperialist, national liberation struggle of the world's oppressed people and the revolutionary movement of all countries' people and have endlessly developed the relationships of friendship and cooperation with those countries that treat our country favorably, including developing countries. We have firmly struggled to check and frustrate the imperialists' maneuvers of aggression and war and to defend the world's peace and security.

Our party has always adhered consistently to the principle of complete equality and mutual respect on which to solve, in conformity with the common interest of our people and the world's people and in an independent way, all problems arising from foreign relations, respecting other countries' sovereignty while thoroughly safeguarding our people's national sovereignty.

Our country's international relations have endlessly been developed and our people have numerous friends and

sympathizers [tongjongjadul] everywhere in the world thanks to our party's correct foreign policy based on the idea of independence, peace, and friendship and its active activities in (?foreign relations).

The experience of our revolution, which is forcefully advancing the socialist cause even under the unusually difficult international environment, has shown that when the working classes of all the world's countries struggle jointly in firm unity supporting and cooperating with each other under the anti-imperialist, pro-independence revolutionary banner, they, as unified international revolutionary forces, can vanquish the imperialists and certainly build a peaceful and prosperous new world of independence, while defending each individual country's sovereignty and independence.

In the future, too, our country's working class will actively contribute to accelerating the completion of our revolution and making the whole world independent by endlessly strengthening the militant unity and cooperation with the working classes and progressive people of the whole world. [applause]

Comrades,

Because of the international reactionaries' vicious challenge, the working class' revolutionary movement to build a new world of independence and peace is today entering a grave phase of history. The imperialists and reactionary forces are all the more running amok to crush [apsal] the revolutionary cause of the working class and the socialist cause, and here, they are especially turning the brunt of the attack toward our Republic, the fortress of socialism.

The U.S. imperialists are all the more openly carrying out anti-Republic oppressive commotions in the international arena by finding fault with our nuclear issue, thus clinging to the military adventure to crush our socialist cause. Our nuclear issue, which the U.S. imperialists and their followers are babbling [ttodunun] about, is a product of the antisocialist and anti-Republic maneuvers the U.S. imperialists are persistently pursuing.

Whenever they have had the opportunity, the U.S. warmongers have made violent remarks by saying that pressure must be put on North Korea through a practical action and so on, thus openly revealing their attempt to resume the Team Spirit joint military exercise. Also, as part of an oppressive commotion against us, they are carrying out all kinds of military commotions such as deploying from the continental United States Naval ships, including the Patriot missile unit and a nuclear powered aircraft carrier, into South Korea, and are scheming to deploy more new military equipment.

The treacherous Kim Yong-sam clique undisguisedly made public its plan to invade the North, which had already been worked out under the instigation of the U.S. imperialists, made the entire puppet Army assume a posture of attacking the North under a special alert

order, and while babbling about a strong punishment and retaliation on someone, it is blowing a very provocative bugle of war to link this as an opportunity to invade the North and achieve reunification.

The Japanese reactionaries are also persistently obstructing the resolution of the nuclear issue on the Korean peninsula by talking about a special inspection [tukpyol sachal] and sanctions. They are revealing the aggressive attempt to come forth in the military action against us in case of an emergency.

Because of the reckless military threat and confrontational maneuvers by the U.S. imperialists and the South Korean puppet clique, the danger of war is increasing by the minute on the Korean peninsula. The U.S. imperialists and the international reactionaries are running amok to isolate and suffocate our Republic and crush our socialism by finding fault with the nuclear issue, but if they think that they can submit us through any kind of pressure, threat, and blackmail, that is nothing but an anachronistic fantasy.

However precious peace is, our dignified people will not by any means beg for it, and are fully prepared to answer war with war and dialogue with dialogue. We are possessed with the wise leadership of the great leader and the respected and beloved supreme commander Comrade Kim Chong-il; the complete unity of the leader, the party, and the masses; and a one-a-match-for-100 revolutionary force that can defeat in a single blow any strong enemy; and a strong self-supporting economy.

Our working class and people will never tolerate [yongnap] our national dignity and sovereignty being hurt [kondurinunkosul]. If the enemy dares to launch an attack, the whole country will turn into a place of guns and shells [chongpotan], giving the enemy only corpses and death.

Our working class and all the workers should march forward invariably upholding the banner of unity in order to continue to forcefully carry forward the socialist cause of chuche while smashing the maneuvers of the imperialists and reactionaries against socialism and the Republic.

The first, the second, and the third priorities, in terms of the basic way to advance the socialist construction while being confronted with the imperialist reactionary forces, are all to achieve the single-hearted unity of the revolutionary ranks. Because of the might of the single-hearted unity nothing can destroy, the invincibility of our-style ever-victorious socialism exists and the bright future path to the revolutionary cause of chuche is firmly guaranteed.

The complete unity among the leader, the party, and the masses, which constitutes the eternal vitality of our country's socialism, originates in the endless love toward and faith in people held by the great leader and the dear (?leader) and in people's boundless sense of admiration and their absolute sense of trust in the leader [yongdoja].

Upholding the great leader and the dear comrade leader and more firmly rallying around the party, our working class and all the people should be firmly prepared as genuine communist revolutionaries of *chuche* who deeply bear in mind their loyalty to the party and the leader as their firm faith, conscience, and sense of moral obligation and highly display such a spirit in every moment of their life, solidifying in every way the single-hearted unity of our revolutionary ranks.

Upholding with our heart the party's militant slogan as to accomplishing the socialist cause to the end while all the party, all the people, and all the Army are united in single-heartedness, we should resolutely smash—with the might of the single-hearted unity in which the leader, the party, and the masses are in complete unity—all the enemy's challenges and obstructions against socialism, thereby accomplishing the socialist cause of *chuche* to the end.

An (?important) issue in defending, safeguarding, and carrying forward the socialist cause of *chuche* at the present time is to defend the purity of socialist ideology and hold fast to the basic principle of socialism in a consistent way.

If the socialist ideology is shaken, the basic principle of socialism will be renounced and, then, the socialist system will degenerate and collapse [*pyonjildoeco homuljigi maryonimnida*].

It is necessary to be armed with the *chuche* idea in order to firmly defend the purity of the socialist ideology. The *chuche* idea is the revolutionary one which most correctly reflects the aspirations and demands of the working class and it is the leading guideline of our era's revolution which illuminates the basic principle and method of socialist and communist construction.

Thanks to the great *chuche* idea, the status and role of the working class as the leading class of revolution have been scientifically illuminated; and a new world in which the working class serves as the masters of everything under the brilliant banner of the *chuche* idea is being unfolded.

Only when it thoroughly carries through the basic principle of the *chuche* idea can the working class see realized its demands that it enjoy independent rights and a genuine life, while breaking away from all kinds of restrictions and oppression and can it see the cause of remodeling the whole society after the pattern of the working class brilliantly accomplished.

By being firmly armed with the socialist ideology of *chuche*, our working class and all the people should resolutely defend their *chuche*-oriented position and the revolutionary principle under all circumstances, reject revisionism, doctrinism, and flunkeyism in a thoroughgoing manner, and thoroughly smash the enemy's maneuver of conciliatory tactics of trying to disintegrate [*wahae*] us through a reactionary ideological and cultural blockade [*pongsoe*].

What is most important in defending, safeguarding, and carrying forward the socialist cause in a victorious way is to faithfully uphold the party's leadership. The party's leadership is the life and soul of the working class and the basic guarantee of all victories.

Only when it is faithful to the leadership of the party—its vanguard organization—can the working class, the leading class of revolution, smoothly carry out its mission and duty it holds before the times and history.

Our era is the glorious one which shines thanks to the name of the dear leader Comrade Kim Chong-il. A bright future path to further prosperity and advancement, when we follow his leadership, is firmly guaranteed. [applause]

All the working class and workers should hold the absolute sense of respect for the dear leader Comrade Kim Chong-il every time and everywhere and should live and fight on as the lifeguards, shock brigade members, guards, and death-defying corps members, loudly chanting the song of faith "Without you, there is no fatherland; with you alone we can win!" upholding his ideology and leadership.

In order to further illuminate our-style socialism, it is necessary to consolidate the might of self-reliant economy and highly display the superiority of our country's socialist system by accelerating the socialist construction. The superiority of the socialist system is demonstrated in people's independent and creative living. To endlessly increase the people's living standard is the highest principle of our party's activities.

The important purpose that our party has established a period of adjustment in the socialist economic construction and put forth a new revolutionary economic strategy also lies in trying to more smoothly guarantee the people's living standards.

By thoroughly accomplishing the party's revolutionary economic strategy and forcefully waging the three revolutions, ideological, technological, and cultural, our working class and all the workers should help the popular masses' independent and creative living be put into fuller bloom in all fields of their social life, including political, economic, and cultural ones.

Upholding the party's militant slogan "Let us forcefully accelerate the general onward march of socialism through the revolutionary spirit of self-reliance and fortitude!" for which all the party, the whole country, and all the people are generally mobilized, we should thoroughly accomplish the agriculture-first policy, light industry-first policy, and trade-first policy with the spirit in which the speed of the nineties is added to *chollima*, filled with the ever-victorious confidence and should achieve a new great revolutionary upswing on all fronts of socialist construction, including coal, electricity, railroad transportation, and metal industries.

To end the national division and achieve the fatherland reunification is the supreme task that our working class

and people can no longer put off. The great leader Comrade Kim Il-song, the sun of the nation, has put forth the 10-point program for the great unity of the whole nation for the reunification of the country, thereby brilliantly illuminating the path to achieving the national reconciliation and unity and to establishing an independent, peaceful, and neutral reunified state. He has taken all kinds of measures for their materialization.

The 10-point program for the great unity of the whole nation is the grand charter for reunification—the most aboveboard and devoted to the country and people—which embodies the pure desire of the 70 million countrymen aspiring to achieve the national reunification and prosperity in which the whole nation is firmly united as one, transcending the differences in ideologies, ideas, and systems. [applause]

The 10-point program for the great unity of the whole nation for the reunification of the country is arousing wide sympathy among the world's progressive people. The South Korean people and the compatriots abroad are also waging a forceful struggle to achieve by any means [kioi] the country's reunification in the nineties under the banner of this 10-point program.

The Kim Yong-sam puppet clique, however, is marching toward the path to North-South confrontation, not to national independence, and to national strife [tongjok sangjaeng], not to peaceful reunification, while turning its face away from our broadminded proposals and the whole nation's desire for reunification.

Without checking and frustrating the maneuvers of the splittists within and without, we can neither desire the fatherland reunification nor the country's security and peace, nor can our nation avoid the disasters of a nuclear war.

The South Korean puppets should give up their silly fantasy of trying to block the fatherland reunification and harm their compatriots, relying on the foreign forces; abrogate all kinds of anticommunist, fascist evil laws, including the vicious National Security Law; immediately release all people, including patriotic figures fighting for the cause of reunification, who have been illegally arrested and imprisoned; and show with acts their genuine will for reunification.

The United States should stop its reckless maneuver of obstructing Korea's reunification and threatening the security on the Korean peninsula; no longer interfere with our country's internal affairs; and withdraw without delay from South Korea taking away all armed forces of aggression and lethal weapons.

Today, too, even political freedom and rights, and South Korean workers' basic human right to live, under the U.S. imperialists' occupation, are being ruthlessly trampled upon, under the world's worst working hell.

The Kim Yong-sam civilian fascist clique, which has assumed power while advocating building a society in

which hard-working people can live in opulence, is abusing the workers like horses and bulls while appeasing and deceiving them under the reactionary slogan of industrial peace.

The puppet clique is even carrying out a fascist violent act of vicious suppression of the labor movement by even putting into action a so-called emergency arbitration, while branding the workers' just struggle for their right to live and for democracy as the so-called collective egoism. The Kim Yong-sam puppet regime is the most vicious blood-sucking one and the most cunning and ruthless one against workers.

It is no coincidence that a slogan "Let us smash the Kim Yong-sam regime, which kills workers!" has been shouted out among the South Korean workers.

The only way for the South Korean workers to get out of their present plight of a dead-end alley is to unite into a struggle to realize the independence and democratization of South Korean society and to achieve the country's reunification.

The South Korean workers should firmly unite under the independent democratic labor unions and wage a struggle against the civilian fascist dictatorship with the might of unity. In firm unity with the people of all strata, including the youth and students, they should build a new world of independence and democracy in the land of the South. They should wage a more daring struggle to realize the cause of the country's reunification.

It is an intolerable national tragedy for one nation of the same blood to live separated for half a century between the wall of division imposed by outside forces. All the Korean compatriots who love the country and are concerned about the future of the nation should be united under the banner of independence, the banner of the great unity of the whole nation, and wage a pannational struggle to open a new phase for the country's reunification by the independent strength of the nation. [applause]

We will make every effort in the future as well to realize the country's reunification by means of a confederal system based on one nation and one state and two systems and two governments according to the three principles of independence, peaceful reunification, and great national unity.

Our people's just cause for national sovereignty and peace and peaceful reunification of the country is receiving warm support and encouragement from the broad sections of the people of the world. I take this opportunity to express our gratitude to the parties, governments, and people of all countries of the world for their invariable sincere support and encouragement for our people's just cause. At the same time, I express our conviction that they will accord our people firm solidarity with our people's reunification cause in the future as well. [applause]

Today, the world situation is very tense and complicated, and the struggle between socialism and imperialism, between the progressive and the reactionary is waged more acutely than ever in the international arena. The prevailing situation demands that the working class of all the countries of the world further strengthen internationalist unity and solidarity for the victory of the anti-imperialist cause for independence.

The cause of socialism is not only a national cause, but a common cause of mankind. Therefore, its victory cannot be expected without the joint struggle of the revolutionary people of the world. Under the condition where the imperialists and reactionaries are trampling upon the independence of the popular masses with a combined force and are viciously maneuvering to crush [apsal] the cause of socialism, the working class and people of all countries of the world should wage a joint struggle firmly united under the revolutionary banner of anti-imperialist cause for independence in order to frustrate the imperialists' interference and aggressive maneuvers and realize the cause of independence of the entire world successfully.

It is the firm will of our working class and people to fulfill their sacred mission and responsibility for the cause of independence of the Korean people and mankind by continuously intensifying the international solidarity and joint struggle with the working class of the entire world under the banner of the great chuche idea and the banner of socialism.

The U.S. imperialists, bragging that they are the only superpower on earth, are engaged in all sorts of tenacious maneuvers, out of an ambition to dominate the world, to isolate and stifle [chilsik sikigo] socialist countries, to block the revival of socialism, and to prevent the developing countries from following the road of socialism. Yet the antisocialist maneuvers of the imperialists and reactionaries are doomed to fail, and it is the law of the development of history that the cause of socialism triumphs ultimately overcoming temporary confusion.

Defending and adhering to socialism from the antirevolutionary offensive of the imperialists and reactionaries at this time is a common pending struggle task facing the working class of the countries of the world. Under the ideology of independence, peace, and friendship, our party and people will continue to endlessly strengthen and develop the ties of comradely unity and international solidarity with the world's progressive people based on independence, equality, and faith in socialism. Therefore, we will put an end to the imperialists' domination and interference, and actively contribute to man's common cause to defend, adhere to, and advance the socialist cause. [applause]

Our working class and people who are resolutely fighting for the just socialist cause by highly upholding the banner of the chuche idea under the great party's refined leadership, will always be victorious. [applause]

Let us all highly uphold the great leader Comrade Kim Il-song and single-heartedly unite around the dear leader Comrade Kim Chong-il to all the more vigorously fight for the victorious advance of socialism of our own style, the fatherland's independent and peaceful reunification, and for man's bright future. [applause]

Hurrah for Comrade Kim Il-song, the great leader of our party and our people! [shouts of hurrahs and applause]

Hurrah for General Kim Chong-il, the respected and beloved supreme commander, who is the great leader [yongdoja] of our party and our people! [shouts of hurrahs and applause]

Hurrah for May Day, the international holiday in which it is demonstrating the united might of the world's working class! [applause]

ROK Students Stage Rally Marking May Day

SK3004143794 *Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 30 Apr 94*

[Text] According to Seoul radio reports, some 2,000 students in Seoul waged a protest demonstration by staging a resolve rally of youths and students marking May Day in front of the Student's Hall of Koryo University on the afternoon of 30 April.

In a resolution adopted at the rally, the students denounced the criminal acts of the Kim Yong-sam clique, who branded the workers' demand for wage hike as a group selfishness. The students called on students and workers to join hands in the struggle for the abolition of evil labor laws and the government-controlled labor union.

After the rally, the students headed to Chongno, staging a street demonstration.

South Korea

DPRK Rejects IAEA's 'New' Proposal

SK2904232994 *Seoul KBS-1 Radio Network in Korean 2207 GMT 29 Apr 94*

[By Cha Man-sun from Vienna]

[Text] North Korea rejected the International Atomic Energy Agency's [IAEA] new proposal that the IAEA conduct gamma mapping and analysis on used nuclear fuel later. Accordingly, the IAEA has canceled the plan to send five inspectors to North Korea.

IAEA spokesman Hans Meyer said: North Korea sent a reply to the IAEA's new proposal on 29 April, and an analysis of the reply message by IAEA high-level policy makers has come to the conclusion that it is unsatisfactory [manjoksuropch'i motan kosuro kyollonul naeryoddago].

He stressed: The IAEA has canceled the planned visit to North Korea by the five inspectors, who were supposed to leave for the country today [30 April], since North Korea notified that it cannot meet the IAEA's demand that North Korea allow the inspection team to conduct necessary inspection activities when fuel rods are changed.

Hans Meyer also said that the IAEA plans to discuss the change of fuel rods with North Korea again early next week.

IAEA, DPRK Reportedly To Continue Dialogue

SK0205081194 Seoul KBS-1 Radio Network in Korean 0515 GMT 2 May 94

[Report by Cha Man-sun from Vienna]

[Text] Although North Korea has rejected essential inspection activities during its replacement of nuclear fuel rods, the International Atomic Energy Agency [IAEA] has assumed a position of immediately dispatching an inspection team to North Korea and not discarding dialogue with the DPRK in expectation of a change in the North's basic position through contact with the United States.

The IAEA is hoping that North Korea, in the face of the report to be presented by IAEA Director-General Hans Blix at the UN Security Council in mid-May, will show a positive response through contact with the United States and that dialogue with North Korea will be maintained. The IAEA is also keeping the five-member inspection team, who have already obtained entry visas to North Korea, on standby.

It is a basic position of the IAEA that it determines if North Korea converted used nuclear material through inspection activities during North Korea's replacement of nuclear fuel rods, and to provide a perfect surveillance system to prevent North Korea from converting used nuclear material in the future.

North Korea rejected IAEA's essential inspection activities through which IAEA can verify if used nuclear material was converted and revealed its intention to use this issue as a negotiating card during contact with the United States to gain support for its light- water reactor.

Apart from such moves by North Korea, North Korea linked the nuclear issue with the third round of U.S.-North Korean high-level talks during the recent working-level contact with the United States. Thus, it is likely that in the event the North Korean demand is accepted during the upcoming U.S.-North Korean contact in New York, North Korea will accept the IAEA demand for substantive inspection activities.

Emergency Alert for 'Suspicious Moves' by North

SK3004110594 Seoul KBS-1 Radio Network in Korean 1010 GMT 30 Apr 94

[Text] Military authorities went on an emergency alert posture for about three hours on 30 April because of suspicious moves by North Korea in which some 20 North Korean fighter planes simultaneously moved southward from Pyongyang at around 1415 [0515 GMT] today. Today's emergency alert posture against the North was ordered because North Korean fighter planes moved southward to Wonsan, Chinnampo, and Chukson from which these fighter planes can reach the skies of Seoul in five minutes. The ROK-U.S. Air Force operations command immediately declared the porcupine operation and went on alert.

The Defense Ministry said that it seems that this is a regular exercise by the North Korean Air Force, but since it is very rare to hold such an exercise on a Saturday, such an emergency alert posture was ordered.

'Around-the-Clock Alert' Against DPRK Moves

SK0205024694 Seoul YONHAP in English 0233 GMT 2 May 94

[Text] Seoul, May 2 (YONHAP)—South Korean President Kim Yong-sam on Monday ordered an around-the-clock alert against North Korean military movements and harmonious policy-making under the new unification minister.

Kim issued the directives at a breakfast meeting with members of the Unification-National Security Policy Coordination Council that was established on his orders last month, his senior aide Chong Chong-ok said.

He asked the military to be on constant alert against events like an increase in the frequency of North Korean military exercises, while emphasizing that the council should seek to formulate policies in unison under new Deputy Premier-Unification Minister Yi Hong-ku.

One inside source described what he said were North Korea's attempts to disband the Military Armistice Commission (MAC).

North Korean members to the MAC Secretariat had been on resident duty but Pyongyang withdrew them as of April 29, the source said, an indication that it is trying to nullify the commission all together.

The source saw the move as part of Pyongyang's insistence to the United States that the Armistice Agreement of 1953 should be replaced by a peace treaty.

This source also reminded of an unexpected military exercise on April 30 when 15 to 20 North Korean air force planes took off from Pyongyang and flew as far down South as near the demarcation line.

The president added that the council must try to regain the public's trust by demonstrating unity and cooperation.

Monday's breakfast meeting was the first gathering of the council members since Yi took office last Saturday.

The members shared their views on pending issues, including the North Korean nuclear dispute and resettlement of North Korean escapees from Siberian logging camps.

Deputy Prime Minister for Unification Named

SK3004002994 Seoul KBS-1 Radio Network in Korean 0012 GMT 30 Apr 94

[Text] Yi Hong-ku, former minister of the National Unification Board has been appointed as new deputy prime minister and minister of the National Unification Board. President Kim Yong-sam appointed Yi Hong-ku today as deputy prime minister and minister of the National Unification Board at the recommendation of Prime Minister Yi Yong-tok.

Yi Hong-ku, newly appointed deputy prime minister and minister of the National Unification Board, is 60 years old and was born in Seoul. He served as professor at Seoul National University after graduating from the Yale University in the United States, and as minister of the National Unification Board in the past. He is now working as senior vice chairman of the Advisory Council for Democratic and Peaceful Unification.

Yi Hong-ku Profiled

SK3004010694 Seoul YONHAP in English 0100 GMT 30 Apr 94

[Text] Seoul, April 30 (YONHAP)—Following is a profile of new National Unification Minister Yi Hong-ku:

Yi was born in Seoul in May 1934 and was educated at Emory and Yale Universities in the United States. He earned a doctorate degree in political science at Yale in 1968.

He was a professor in the political science department at Seoul National University from 1963-1980 and served as chairman of the Research Council on the Communist Bloc and president of the Korea Political Science Association.

He was appointed National Unification Minister in 1988 under Former President No Tae-u, served as the president's special aide for political affairs and served as ambassador to Britain.

He has currently been the senior vice president of the Advisory Council on Democratic and Peaceful Unification and headed a committee for hosting the 2002 World Cup soccer finals.

Minister on Policy Toward DPRK

SK3004083294 Seoul YONHAP in English 0822 GMT 30 Apr 94

[Text] Seoul, April 30 (YONHAP)—New Deputy Prime Minister and National Unification Minister Yi Hong-ku said Saturday the joint Seoul-Pyongyang declaration for denuclearization of the Korean peninsula must be realized by all means, as all the Korean people want a nuclear-free Korean peninsula.

Meeting the press after his inaugural ceremony, he observed North Korea will eventually give up its nuclear arms development program, adding, "The program cannot be justified under any circumstances."

Stressing the need for a firm and consistent policy toward North Korea, Yi said, however, that he would make a flexible approach to pending issues, taking into consideration the situation of each issue.

Asked about the issue of North Korean loggers in Siberia, he replied, "I think the government should make a comprehensive policy as soon as possible after considering its legal and diplomatic aspects."

DPRK Said Cordoning Off Special Economic Zone

SK0205004594 Seoul YONHAP in English 0027 GMT 2 May 94

[Text] Seoul, May 2 (YONHAP)—North Korea is cordoning off a special economic zone with barbed wire and check points, apparently isolating the area to prevent contact between foreigners and locals, official and business sources here said Monday.

The Stalinist state has sped up production of steel wire and is ordering more from China and Southeast Asian countries to encircle the 746-square-kilometer "Najin-Sonbong" zone, according to the sources.

Pyongyang elevated the zone last year to Najin-Sonbong city and added more land to enlarge the area from 621 square kilometers to 746 square kilometers in an ambitious move to attract foreign companies and investment.

The recent attempt to isolate the zone is another concrete measure to expedite the process while preventing negative repercussions that might force an opening of North Korean society or the introduction of foreign culture, the sources said.

They added that North Korea is busy obtaining all available barbed wire and has asked for a possible South Korean supply through third countries.

DPRK Public Security Officer Defection Noted

SK3004044894 Seoul YONHAP in English 0428 GMT 30 Apr 94

[Text] Seoul, April 30 (YONHAP)—A North Korean family of five will arrive at Kimpo International Airport

Saturday afternoon after defecting via a third country in Southeast Asia, the Agency for National Security Planning [NSP] said Saturday.

Yu Man-chol, 48, of Hamhung, South Hamgyong Province, fled North Korea with his wife, two sons and one daughter.

Yu has worked as a driver in Hamhung, NSP officials said.

Earlier, Kim Man-chol deserted North Korea with 10 family members in February 1987 and defected to South Korea via Japan and Taiwan.

Yu, formerly a captain of the North Korean Public Security Ministry, and his family will have a press conference Monday afternoon at the press center.

DPRK Family Arrives in Seoul

SK3004084194 Seoul YONHAP in English 0825 GMT 30 Apr 94

[Text] Seoul, April 30 (YONHAP)—A five-member North Korean family, headed by Yo Man-chol, 48, who defected from North Korea in mid-March, arrived here by air from Hong Kong Saturday afternoon.

"We decided to flee because it was very hard to make a living there," said Yo upon arrival, "and we're very pleased to have arrived in South Korea because our dream of defecting to the South has now come true."

He said he had been a captain of the Public Security Ministry before he worked as a driver just before his defection.

On March 18, he and his family fled to China, crossing the frozen Yalu River, and then moved to southern China by train. "In China, we had much help from ethnic Koreans," he said. But he declined to comment on where they visited in China and when, where and how they got in touch with the South Korean Government.

Yo arrived with his family members, wife, Yi Ok-kum, 45; Two sons, Kumyong, 18, and Unyong, 16; and daughter, Kumju, 20.

The Yo were the second North Korean family who defected to the South after the Kim Man-chol family who fled to South Korea via Japan and Taiwan in February 1987.

Defectors Speak of Food Shortage

SK0205111394 Seoul YONHAP in English 1103 GMT 2 May 94

[Text] Seoul, May 2 (YONHAP)—A North Korea family of five who in defection arrived in Seoul last Saturday said on Monday that people in the North suffer heavily from food shortage as food ration has been virtually suspended since August last year.

Yo Man-chol, age 48, told a press conference at the Seoul Press Center that he and his family had escaped North Korea partly because of food shortage and partly because his family had been treated unfavorably after he was removed from the Public Security Ministry in 1989.

Yo said he was working as a guidance officer with the rank of captain at Hamhung City office of the Public Security Ministry when he was sacked after his acceptance of money from a traffic violator was uncovered.

He said he and his family fled North Korea into northern China through the frozen Yalu River on last March 18.

"Once in China, we moved to southern China by train and could come to South Korea through a third country with the help of an ethnic Korean in China," Yo said.

His wife, Yi Ok-kum, 45, who had worked as a kindergarten master in Hamhung, said they had to live mainly on corn since last August when food ration came to a virtual halt.

"We were so hungry that I had to go to the countryside and beg my sister and brother there for some grains," she said in tear.

Saying "the food situation in the North is worse than you may presume," Mr. Yo stated that mainly because of the food problem, the North Koreans' loyalty to Kim Il-song and his son, Kim Chong-il, had visibly declined.

In the past, he said, almost all people attending public events wore Kim Il-song badges. "Nowadays Kim Il-song badges can be seen on the chest of only about 20 percent of attendees," he said.

Yo said his listening to South Korean radio programs had helped him decide to defect to South Korea.

When North Korea sells radios to people, all channels except North Korean stations, are sealed off with soldering. Yo said, adding that lately many people break the seal to clandestinely listen to South Korean programs as he himself did.

Asked if she readily agreed to her father's suggestion for escape, Yo Kum-ju, age 20, a kindergarten teacher, said that at first she resisted the offer because she did not want to be a "traitor."

"But, I changed my mind later after listening to South Korean broadcasts with a radio my father gave me," she said.

The two other family members were Yo Kum-yong, 18, a middle school sixth grader, and his younger brother, Un-yong, 16, a middle school fourth grader.

U.S. Position on Fuel Rod Replacement Viewed

SK2704124994 Seoul CHUNGANG ILBO in Korean 27 Apr 94 p 5

[Report by Chin Chang-nip from Washington]

[Text] The U.S. Government stated it would oppose the replacement of fuel rods at nuclear reactors in Yongbyon, North Korea. This indicates that the U.S. nuclear policy toward North Korea has changed considerably, which attracts the people's attention.

Such a position by the U.S. Government has been disclosed on many occasions, but it did not attract attention because it was expressed ambiguously. Robert Gallucci, U.S. assistant secretary of State, has recently expressed the U.S. position clearly and concretely.

The U.S. Government has clearly expressed its position opposing the replacement of fuel rods at North Korean nuclear reactors because, although the United States has been continuing negotiations with North Korea for the past ten months to freeze North Korea's nuclear development, it believes North Korea would continue developing nuclear weapons. Therefore, it seems the United States has decided to prevent North Korea from replacing fuel rods in order to block its nuclear development.

After the second round of U.S.-North Korean high-level talks in Geneva on 19 July 1993, Robert Gallucci said that he would oppose North Korea's extraction of plutonium. Also, U.S. Secretary of Defense William Perry recently said that we must not allow North Korea to extract plutonium again by replacing nuclear fuel at the nuclear reactors.

In U.S.-North Korean unofficial contacts slated for either 28 or 29 April in New York, the U.S. Government is likely to convey its position to North Korea that it withdraws the demand for the exchange of special envoys between the North and South, and that it opposes North Korea's replacing fuel rods at its nuclear reactors. It is very significant militarily that the United States has informed North Korea of its intention to oppose the replacing of fuel rods at nuclear reactors.

When nuclear fuel is replaced, the operation of the nuclear reactors are suspended. After the reactor core cools down, the used fuel is removed when the fuel rods are replaced.

The United States has so far considered carrying out a preventive strike against North Korean nuclear facilities if its diplomatic efforts to settle the nuclear issue fail, but has stated that there are many difficulties because a strike against active nuclear reactors would cause the vast proliferation of radiation. (endall) 27 Apr sc/scally/KSC22274.01/bs612704.07/kw 27/1249z Apr BT #2904 NNNN

DPRK Peace Treaty Proposal to U.S Viewed **SK0105055094**

[Editorial Report] Three Seoul vernacular newspapers on 30 April carry editorials and reports on North Korea's proposal to replace the armistice agreement with a peace treaty with the United States.

The moderate TONG-A ILBO carries on page 3 an 800-word editorial entitled "The Pitfall of a Peace Treaty." Referring to the withdrawal of U.S. forces from South Korea as North Korea's main goal in nuclear negotiations with the United States, the editorial says, "the North Korean Foreign Ministry proposed to the United States that it would hold talks to discuss the replacement of an armistice agreement with a peace treaty."

The editorial adds, "North Korea shows its move to actually link the peace treaty with the settlement of the North Korean nuclear issue," referring to remarks made by a high-level North Korean diplomat at his new conference regarding replacing the armistice agreement with a peace treaty to solve the nuclear issue.

Noting the U.S. Government's refusal of North Korea's proposal the editorial says, "it is, however, questionable whether the United States will continue to hold its present position in case North Korea concretely proposes to sign the peace treaty, while promising to resolve the nuclear issue."

Referring to the background of North Korea's nuclear development, the editorial says, "North Korean politicians are likely to believe that nuclear weapons can be an economical and effective means to guarantee their security, and that their possession of nuclear weapons can delay U.S. intervention in the case of an emergency situation on the Korean peninsula or, ultimately, promote the withdrawal of U.S. forces from South Korea."

Referring to the U.S. forces in South Korea as the main obstacle to North Korea's strategy for national reunification, the editorial says that in the next round of U.S.-North Korean, North Korea will more persistently push ahead with its strategy to replace the armistice agreement with a peace treaty.

The moderate CHUNGANG ILBO on page 5 carries a 1,000-word article by reporters Kang Yong-chin and Yu Yong-ku entitled "Progress in North-South Relations Is the Key To Resolve the North Korean Nuclear Issue." Referring to the U.S. Government's new proposal to North Korea at the recent U.S.-North Korean working-level contacts in New York, the report says, "this indicates that North-South dialogue should be simultaneously carried out with the third round of U.S.-North Korean high-level talks in order to resolve the nuclear issue."

Noting the contents of the U.S. Government's new proposals indicating that it will decide on the suspension of the Team Spirit joint military exercise only if progress has been made in North-South dialogue, the report says the United States seems to believe that the North Korean nuclear issue cannot be ultimately resolved if no progress has been made in North-South dialogue.

Referring to the U.S. Government's "emphasis" on North-South dialogue in resolving the North Korean nuclear issue and to North Korea's proposal to replace

the armistice agreement with a peace treaty, the report says, "there is a difference between the two countries' proposals: That is, North Korea has put forward an additional proposal, which has nothing to do with the settlement of the nuclear issue, while the United States has concentrated every effort to resolving the issue."

Referring to the possibility that the U.S. Government will improve relations with North Korea to resolve the nuclear issue and to North Korea's using the nuclear issue card as leverage to maintain its system and to promote its economy, the report says, "it is, therefore, possible that such proposals by the U.S. Government may create a more complicated situation in resolving the nuclear issue."

The moderate HANGUK ILBO on page 2 carries a 200-word report entitled "The United States Has Expressed a Negative Attitude Toward North Korea's Proposal for the Replacement of the Armistice Agreement With a Peace Treaty." Referring to the U.S. Government's negative position on the North Korean proposal, the report says (Christine Shelly), vice spokeswoman of the U.S. Department of State, said that the armistice agreement is still in effect and that the U.S. is not aware of any moves concerning North Korean military deployment and that in dialogue with North Korea, the U.S. has "clearly taken necessary steps to hold the third round of U.S.-North Korean high-level talks."

The report concludes, "the spokeswoman stressed that she does not believe that there is any direct relation between the armistice agreement and the North Korean nuclear issue."

Former President Bush Remarks on DPRK Issue

SK1804085794 Seoul YONHAP in English 0827 GMT 18 Apr 94

[Text] Seoul, April 18 (YONHAP)—Former U.S. President George Bush said Monday at the opening ceremony of the Pacific-Asia Travel Association (PATA) annual conference that tourism is a high-growth industry which contributes greatly to global economic development and peace. Bush said the tourism industry is vital because it can play a leading role in resolving regional conflicts. He also mentioned the importance of PATA, which admitted Vietnam and South Africa as new members this year, saying the body provides a new communication channel for countries across the world.

Touching on the North Korean nuclear dispute, he said China will play an important role in solving the problem and thus should not be driven into a corner.

Bush was invited to the conference after appearing in a television commercial inviting foreigners to visit the United States. He arrived on Saturday and met with President Kim Yong-sam and former President No Tae-u later in the day.

Chang Song Inaugurated as Deputy CFC Commander

SK1904093194 Seoul YONHAP in English 0633 GMT 19 Apr 94

[Text] Seoul, April 19 (YONHAP)—Gen. Chang Song took office as the 11th-term deputy commander of the Korea-U.S. Combined Forces Command (CFC) and concurrently as commander of the CFC ground component in an inauguration ceremony held at the CFC headquarters Tuesday.

Gen. Chang graduated from the Korea Military Academy (KMA) in 1962 and served as division commander, corps commander, assistant defense minister for policy and superintendent of the KMA. He replaced Gen. Kim Chae-chang, who is known to retire from active service soon.

Seoul, Russia Plan To Resettle DPRK Loggers

SK1804114594 Seoul YONHAP in English 0941 GMT 18 Apr 94

[Text] Seoul, April 18 (YONHAP)—South Korea and Russia can arrange resettlement of North Korean loggers from Siberia independently without intervention by U.N. High Commissioner for Refugees (UNHCR), Foreign Minister Han Sung-chu said Monday.

"Bilateral cooperation may be sufficient for those who have clearly indicated they choose to come to Seoul on their own free will," Han said at a press conference after arriving from Moscow.

His remarks signify a change in Seoul's earlier position that the government will seek intervention by the UNHCR to prevent possible claims by Pyongyang that South Korea is kidnapping the loggers. An estimated 500 North Koreans are said to be in flight throughout Commonwealth of Independent States (CIS), seeking resettlement mostly in South Korea.

"Not all of these estimated people are North Korean loggers, but people who have fled North Korea through other means," said Han. North Korean loggers have escaped their Siberian camps in droves, later testifying to rampant human rights violation inside the camps.

Han had discussed this issue at length with Russian Foreign Minister Andrey Kozyrev during his Moscow visit. "Russia has promised full cooperation, saying it has not and will not send back the loggers to North Korea," said Han.

UNHCR support and mediation would become necessary for protecting the escapees who have not yet being able to contact the South Korean embassy in Moscow and need protection.

There are various ways to bring the loggers to South Korea, such as having Moscow issue them residential permit and later allowing them to emigrate to Seoul. The

South Korean Embassy could issue them travel permits or passports and recognize them officially as South Korean citizens, Han said.

PRC Reportedly Expects Kim Il-song May Visit

SK0105051494 Seoul YONHAP in English 0207 GMT 1 May 94

[Text] Seoul, May 1 (YONHAP)—North Korean leader Kim Il-song is expected to visit China in May, a diplomatic source here said on Sunday.

China had invited Kim to talk with him about the North Korean nuclear problem and ways for China to help North Korea which is suffering from economic difficulties, according to the source.

He quoted Chinese Premier Li Peng as having said to South Korean President Kim Yong-sam during his visit to China in last March that China had asked for Kim Il-song's visit to China.

But North Korea judged that it is untimely for Kim Il-song to visit China shortly after South Korean President Kim visited Beijing, Li was quoted as saying.

Li expected that the North Korean president would visit China in an appropriate time.

The source said, "the Chinese Government recently sent a senior military official to Pyongyang to persuade on North Korean officials to give up alleged nuclear development. I understand that Kim Il-song's visit to China is being pushed for in this context."

Meanwhile, China asked South Korea to postpone the visit of Mun Chung-su, secretary-general of the ruling Democratic Liberal Party (DLP), to China because of the Kim Il-song's visit, the source said.

Increase in Trade With China, Russia Reported

SK2104120994 Seoul YONHAP in English 0745 GMT 21 Apr 94

[Text] Seoul, April 21 (YONHAP)—South Korea's trade with northern and communist nations is soaring, the national statistical office said Thursday.

Exports to the seven nations including China and Russia rose 101.5 percent from 3,430 million U.S. dollars in 1992 to 6,910 million dollars last year, while imports from these countries increased 28.6 percent to 5,120 million dollars in the same period.

The trade balance, accordingly, changed from a 550-million-dollar deficit in 1992 to a surplus of 1,790 million dollars, the office said. The other five nations are Vietnam, Poland, Hungary, Romania and Ukraine.

Shipments to these countries accounted for 8.4 percent of total South Korean exports in 1993, compared to 4.5

percent in 1992, while imports from the seven states climbed from 4.9 percent in 1992 to 6.1 percent of total imports last year.

Exports to China skyrocketed 94.1 percent to 5,150 million dollars last year, and imports from that nation gained 5.5 percent to 3,930 million dollars. Iron and steel led Korea's exports with 998 million dollars, followed by automobiles with 582 million dollars.

The trade balance with China went from 1,070 million dollars in the red in 1992 to 1,220 million dollars in the black last year.

Exports to Russia rose 510 percent to 601 million dollars during the same period, while imports from that country soared 1,300 percent to 975 million dollars. Iron and steel led the South Korean imports with 356 million dollars.

Fishing Boats Intercepted by Chinese Patrol Boat

SK3004094394 Seoul KBS-1 Radio Network in Korean 0800 GMT 30 Apr 94

[Report from Pusan]

[Text] The No. 2 Songgwang-ho, a trawler from Pusan—which was fishing at the East China Sea, 220 miles southwest off Cheju Island's Mosulpo—and 11 of its crewmen, including 44-year-old Captain Sin Hyon-pok, were captured by a Chinese patrol boat at around 1200 [0300 GMT] on 29 April.

Also at the same time on 29 April, the No. 27 Taehung-ho, a 120-tonne class trawler from Pusan—which was carrying out repair work at sea 175 miles southwest off Cheju Island's Mosulpo—drifted toward the Chinese territorial waters because of the undercurrent. Thus, this trawler and 11 of its crewmen, including 41-year-old Captain Tak Hung-yang, were also intercepted by the Chinese patrol boat.

Fishermen of the No. 1 Songgwang ship, who were fishing near the seized No. 2 Songgwang ship, said that when they followed the No. 2 Songgwang ship after seeing that it was being detained by the Chinese patrol boat, which appeared suddenly, the Chinese patrol boat cut the ropes connecting the tugboat and apprehended the crewmen.

Kim Yong-sam Interview on Nuclear Issue, Japan

SK2804025694 Seoul YONHAP in English 0230 GMT 28 Apr 94

[Text] Tokyo, April 28 (YONHAP)—South Korean President Kim Yong-sam stressed Thursday that close relations among Korea, the United States and Japan are essential in resolving the North Korean nuclear dispute.

"For this reason, I hope the political state of Japan stabilizes as soon as possible," Kim said in an interview with the ASAHI SHIMBUN at Chongwadae (the presidential office) in Seoul.

China firmly opposes North Korea's possession of nuclear arms, Kim said, citing talks with Jiang Zemin during his visit to Beijing last month.

Noting the military threat posed by North Korea cannot be overlooked, he said Seoul and Washington are prepared to act under any circumstances.

However, he told the Japanese vernacular daily that there are no signs of an imminent North Korean attack.

"The foreign media's reporting on tension on the Korean peninsula is too exaggerated to some extent," he added.

Kim said Washington would not make a decision on the North Korean nuclear issue and announce it without consulting him first.

He said he anticipated substantial results at the upcoming North Korean-U.S. working-level negotiations.

"North Korea wants better relations with the United States to escape from its economic straits, but the United States is unlikely to agree unless full nuclear inspections are complied with," he told ASAHI.

He noted that China can influence North Korea more than any other country but does not want to unnecessarily provoke its communist ally.

"But China holds the firm position that North Korea absolutely should not have nuclear arms and I think its stance is stronger than any other country in the world," he said.

Kim said he hoped to see the Japanese political situation soon return to normal as the Seoul-Washington-Tokyo front was very important in blocking North Korea's nuclear program.

During his summit in Toyko last month, Kim said, former Prime Minister Morihiro Hosokawa had told him that Japan did not wish to seek a permanent seat on the UN Security Council at present, but would support Seoul's bid for a non-permanent seat in 1996.

He predicted that North Korean leader Kim Il-song was unlikely to attend the United Nations General Assembly session in New York this fall.

"Time is on our side, not on North Korea's side. I believe an inter-Korean summit will take place naturally some day," he said, adding that Seoul would not approach Pyongyang first.

Kim Yong-sam, Hata Discuss DPRK by Phone

SK0105054394 Seoul KBS-1 Radio Network in Korean 0500 GMT 1 May 94

[Text] President Kim Yong-sam had a 20-minute telephone conversation with Japanese Prime Minister Hata this morning in which the two leaders agreed to maintain the existing joint cooperation system between the ROK, the United States, and Japan.

President Kim telephoned Prime Minister Hata from Chongwadae [presidential residence] today. Congratulating the latter on assuming office as prime minister, President Kim stressed that the stability of Japanese politics is beneficial to the ROK and Asia as a whole. President Kim hoped that Prime Minister Hata's trip to Europe, which begins tomorrow, will be smooth.

In reply, Prime Minister Hata said that in dealing with the North Korean nuclear issue, it is necessary to maintain a firm attitude while leaving a window open for dialogue. Prime Minister Hata said that Japan will continue to maintain the cooperation system built between the two countries through the two rounds of summit talks during Former Prime Minister Hosokawa's administration.

The leaders of the two countries agreed to cooperate closely by telephone whenever necessary in the future as well.

Board Reports Number of Japanese Tourists Rising

SK1804063594 Seoul YONHAP in English 0609 GMT 18 Apr 94

[Text] Seoul, April 18 (YONHAP)—Japanese tourist arrivals are soaring this year, the Korea National Tourism Corp. (KNTC) said Monday.

In the first quarter 387,000 Japanese visited South Korea, a 38-percent increase over the same period last year.

The number of Japanese tourists stood at 100,000 in January, up 25 percent, at 120,000 in February, up 32 percent, and at 167,000 in March, up 53 percent.

Japanese tourist arrivals are expected to climb further in the future, especially during the golden holidays of April 27-May 7 when nearly 55,000 Japanese are likely to come, a 22.2-percent rise, Japanese tourism sources said.

The surge is due to visa exemptions for Japanese during "Visit Korea Year '94," the sources said.

The KNTC expects nearly 4 million foreigners to come this year, with Japanese accounting for half of the figure.

Quarterly Beef Talks With Australia Begin

*SK1904032694 Seoul THE KOREA TIMES in English
19 Apr 94 p 8*

[Text] Korea yesterday entered into a string of quarterly bilateral negotiations with Australia, New Zealand and the United States to discuss matters concerning Korea's beef imports.

The meetings are the third of their kind since a memorandum of understanding on beef market access was signed between Korea and Korea's three major beef exporters last July, the Ministry of Agriculture, Forestry and Fisheries said.

In yesterday's meeting, Australia urged Korea to expand the volume of its grass-fed beef sold in wholesale markets to 5,000 tons from the present 800 tons, said a ministry official who attended the meeting.

New Zealand is expected to make similar demands in a meeting with Korea scheduled for April 25, the official said.

The United States with which Korea is scheduled to have a beef negotiation April 26 will likely urge Korea to ease restrictions on the local distribution of beef.

Nations Disagree on Beef Purchases

*SK1904033594 Seoul YONHAP in English 0300 GMT
19 Apr 94*

[Text] Seoul, April 19 (YONHAP)—South Korea and Australia met Monday for their quarterly beef talks, but failed to strike a deal due to disagreements over the volume listed in the wholesale market and carry-over of excess imports.

Seoul proposed to increase the listed volume of common meat at the wholesale market to 1,000 tons this year from 1993's 800 tons, but Canberra was opposed, calling the amount too small compared with this year's beef imports of 106,000 tons.

Australia again refused Korea's request to have the volume exceeding the import quota be carried forward to next year because it predicted actual imports to be more than the designated quota in view of current consumption.

The two will take up the issue at the next quarterly meeting.

Prime Minister Discusses 'Future Direction'

*SK3004143494 Seoul KBS-1 Television Network in
Korean 1204 GMT 30 Apr 94*

[Interview with new ROK Prime Minister Yi Yong-tok by KBS anchorman Kim Kwang-il on 30 April; place not given—recorded]

[Text] [Kim Kwang-il] In an interview with KBS today, new ROK Prime Minister Yi Yong-tok revealed that the

future direction of the government's administration is reform amid harmony. We will listen further to Prime Minister Yi's view on his appointment and the direction of the government's administration.

[Begin recording] [Kim] How are you?

[Prime Minister Yi Yong-tok] Hello.

[Kim] First of all, I would like to congratulate you on your appointment.

[Yi] Thank you very much.

[Kim] You have been entrusted with a heavy duty of leading the third-term cabinet of the civilian-rule government. What is your impression of your appointment?

[Yi] Since I have been entrusted with an important duty during a difficult period, I, who am lacking in every way, have a heavy heart.

[Kim] One of the tasks which the civilian-rule government must continue to promote is reform. What do you think that the third-term cabinet must urgently do to continuously promote reform?

[Yi] I will work to emphasize harmony by gathering all kinds of different and creative opinions into one unified opinion. We must achieve reform through harmony.

[Kim] In the past you were the deputy prime minister in charge of South-North diplomacy and security-related issues and presided over coordination meetings for reunification and security-related policies. Now you have become the prime minister, are you thinking of continuing to be in charge of diplomacy and security-related issues?

[Yi] I have experience in this field, but the coordination meetings for reunification and security-related policies are held centering on the deputy prime minister in charge of national unification. It has operated in such a way for about a month. I believe that it is ideal for the joint work in the process of establishing, coordinating, and promoting a policy.

[Kim] You have been known to be a conservative figure. Some people even pointed out that you are not fit for carrying out reform. What is your opinion on this matter?

[Yi] People who have a practical knowledge about the true nature of North Korea regard that North Korea can be our partner only when reunification is achieved together, and at the same time they say that we should find a way for reunification with the North by taking a prudent attitude and being cautious of the danger of North Korea's line toward the South. This kind of people are saying that I am a conservative. I think this matter is related to who has a more correct understanding of reality. I believe that I am very knowledgeable about North Korea because I have visited North Korea for talks, have thought about this matter over a long period

of time, have had many experiences, and read many books on it. Therefore, I think I am a practical rationalist.

[Kim] Thank you for the interview.

[Yi] You are welcome. [end recording]

Papers Examine Policies of New Security Team

SK0205145494

[Editorial Report] The following is a compilation of articles published in Seoul vernacular newspapers on 2 May on the nature and characteristic of the new diplomacy-security team in the ROK Government and on the prospect of their policies.

The moderate TONG-A ILBO publishes on page 3 a 1,200-word article by reporter Kim Cha-su, under the headline, "What are the contents of the policies to be implemented by the new security team?" The article points out that the very "difficult" impending problems facing the new diplomacy-security team are the North Korean nuclear problem, the North Korean escapees from logging sites in Siberia, and the important task of deciding "the method and form" of North-South dialogue to be held in the future. The article notes, however, that the government's position is that it will not "unilaterally decide" the form of dialogue, but will make the decision after "sounding out" North Korean intent through the United States, which began holding working-level contacts with North Korea in New York. The article predicts that the issue to which the government will pay primary attention to is the resumption of the North-South Joint Nuclear Control Committee and to review the possibility of resuming contact between delegates to North-South high-level talks. Concerning the time of resuming dialogue, the government stresses that the North Korean side should be the "first to propose" dialogue because North-South dialogue should be resumed without fail before a third round of North Korean-U.S. talks, which North Korea "eagerly desires."

The article notes that the new diplomacy-security team will review the issue of North Korean escapees from logging sites in Russia wishing to defect to the South, adding that the government will not decide "hastily" but will "calmly" resolve the issue because the Russian Government complained over the "hastiness" of the ROK Government and stressed appropriate "legal procedure" be used in handling the loggers. Pointing to North Korea's "strong rejection," the article notes that the government decided to reveal its position to handle the issue of North Korean loggers from the viewpoint of a "human rights issue" of compatriots.

The new diplomacy-security team will work out "measures" to cope with the North Korean proposal for changing the Armistice Agreement into a peace agreement but, the article writes, the government has had no "effective means" to counter such a "propaganda offensive" by the North, except the principle of solving the

problem by "the parties concerned in the North and the South." Thus, the team will again "intensively study" the plan to "annul" the Armistice Agreement "after" building a peace system according to the North-South Agreement, as well as other issues that have been discussed within the government. It is highly likely that to answer the people's comment that previous policies on the North Korean nuclear issue and other diplomacy and security-related issues "lack consistency," the new team will "intensively review" means to make "one harmonized voice."

The moderate daily HANGUK ILBO publishes on page 2 a 1,600-word article by reporter Ko Tae-song entitled, "Prospect for New Policies by Diplomacy-Security Team Headed by Deputy Prime Minister Yi."

Describing new Deputy Prime Minister Yi Hong-ku as a widely recognized "expert in reunification and diplomatic affairs," the article predicts "no drastic change" in the diplomatic and security policy pursued by former Deputy Prime Minister Yi Yong-tok. The article, however, notes that there will be "some changes" in details in implementation methods. The task presently facing the team after withdrawal of the North-South envoy exchange-first policy is the North Korean nuclear issue, which is advancing in "a new direction." The article assumes that the new team will "refrain" from "impulsive [kamjongchok] means" in solving the North nuclear issue but will seek "reasonable ways" that represent new Deputy Prime Minister Yi's work style and that represent the position of Foreign Minister Han. Observing that the new team will have to take "considerable pains" in deciding "when" and "in what degree" it should propose resumption of North-South dialogue in the course of dealing with the North Korean nuclear problem, the article writes that new Deputy Prime Minister Yi stressed "implementation" of the North-South agreement and joint denuclearization declaration, and notes his position expresses "the will" not to be "alienated" from resolving the nuclear issue.

Another issue for the new team to deal with is "accepting" the North Korean escapees from logging sites in Russia for settlement in the ROK. The article predicts that the new team will try to resolve this issue in a "quiet" manner without "irritating" China, Russia, and North Korea by carefully reviewing and discussing it with relevant government offices. The new team will "effectively operate" the recently formulated "Unification and Security Policy Coordination Council" in its future endeavors.

The pro-government daily SEOUL SINMUN publishes on page 2 a 1,200-word article by reporter Yang Sung-hyon, under the headline, "The new reunification-diplomacy team will seek middle, moderate-progressive policy on North Korea." The article notes that the new reunification-diplomacy team will attach great importance to the "international cooperative system" and "dialogue" in resolving the North Korean nuclear issue, and stresses that the attempt to define the new security

team only as "conservative" or "progressive" is "unreasonable." The article concludes that although key members of this team have some personal preferences in playing their roles, the team's overall "team work" will work effectively.

DLP To Take Over Interparty Affairs, Disputes

SK0205085494 Seoul YONHAP in English 0659 GMT 2 May 94

[Text] Seoul, May 2 (YONHAP)—The ruling Democratic Liberal Party [DLP] plans to take over from the presidential office [Chongwadae] in handling future political disputes with the main opposition Democratic Party, DLP sources said Monday.

President Kim Yong-sam's administration has recently been at odds with the opposition party over such issues as the resignation of Former Prime Minister Yi Hoe-chang and the Sangmudae scandal.

Since the inauguration of the civilian government last February, the ruling party has needed the strong leadership of Kim Yong-sam, who also serves as DLP president, in carrying out reform and purging corrupt officials.

But now, Chongwadae believes that stable execution of government affairs should be given top priority.

In order to maintain better relations between the ruling and opposition parties, the presidential office has therefore decided to let the DLP take the initiative in handling political affairs.

Under the new idea, the ruling party hopes to strengthen inter-party dialogue and remain in close contact with the opposition party through their floor leaders at the National Assembly, as well as through their secretaries-general and policy-makers.

DLP Chairman Kim Chong-pil, speaking at a regular monthly meeting of senior party officials, pointed out that the ruling party exists because there is an opposition and vice versa.

"Although there is a gap, the Democratic Party has to be an essential partner (for the DLP)," Kim said.

"We should do our best to maintain healthy relations with the opposition party," he added. "We should keep building partnership relations with it."

DLP Secretary-General Mun Chung-su said that whenever the opposition launched an offensive in the past, Chongwadae hastened to handle it, assuming a greater burden. Mun thus signaled a change and the party's intention to grab the initiative in political affairs from now on.

Another senior DLP official said that Chongwadae is studying ways to leave party affairs to the DLP and administrative work to the cabinet.

In view of this new policy direction, the DLP is expected to offer a "cooling-off period" before opening formal and informal channels of dialogue with the opposition party, he said.

Offices' Personnel Reduction Plans Approved

SK1804121894 Seoul YONHAP in English 1147 GMT 18 Apr 94

[Text] Seoul, April 18 (YONHAP)—A cabinet meeting on Monday approved the plans of four central government offices to reduce their authorized manpower strength by 63. The four offices were the Justice, Transportation and Information Ministries, and the Maritime and Port Administration.

The reduction included 24 at the Transportation Ministry, 13 at Information Ministry, and 21 at the Maritime and Port Administration. Monday's reduction brings to 364 the total of personnel slashed by 14 central government offices thus far.

A source said the Defense Ministry and 12 other offices have prepared manpower reduction plans of their own but are yet to furnish them to the Government Administration Ministry.

Six other offices including the National Unification Board, Office of Legislation, and the Patriots and Veterans Affairs Ministry have failed to work out reduction plans as yet, the source said.

First Quarter Registers 'Record Trade Deficits'

SK1804121594 Seoul YONHAP in English 1104 GMT 18 Apr 94

[Text] Seoul, April 18 (YONHAP)—South Korea's imports far outpaced exports during the first quarter of this year to record trade deficits of 2,581 million dollars. According to the Finance Ministry on Monday, exports reached 19,954 million dollars in the January-March period, a gain of 9.8 percent over the same period of last year, while imports totaled 22,535 million dollars, a rise of 12.9 percent.

The sharp increase of imports was because introduction of capital and consumption goods and raw materials has been rising at a rapid pace influenced by the beginning of business recovery in the country. In the period, exports were led by heavy and chemical industrial goods, whose exports jumped 13.9 percent over a year before and accounted for 65.8 percent of the total exports. Light industrial goods exports gained only 3.0 percent in the three months.

By area, exports to China rose by 18.7 percent over the like period of last year, to ASEAN countries by 10.6 percent, to EC by 11.5 percent, to Japan by 12.5 percent and to the United States by 4.6 percent.

Burma

Khin Nyunt Lectures Diplomats on Foreign Policy

BK2704141394 Rangoon Burma Television Network in Burmese 1330 GMT 26 Apr 94

[Excerpts] Lieutenant General Khin Nyunt, chairman of the Foreign Affairs Policy Committee [FAPC] and secretary-1 of the State Law and Order Restoration Council [SLORC], met with officers and staff of the Ministry of Foreign Affairs at the Ministry of Foreign Affairs reception hall at 0745 this morning and delivered an address concerning departmental affairs.

The ceremony was attended by FAPC members Home Affairs Minister Lt. Gen. Mya Thinn, National Planning and Economic Development Minister Brigadier General Abel, Foreign Affairs Minister U Ohn Gyaw, Attorney General U Tha Tun, SLORC Office Director General Lieutenant Colonel Pe Nyein, and Myanmar [Burmese] ambassadors, directors general, officers, and staff of the Foreign Ministry.

Lt. Gen. Khin Nyunt explained that personnel from the Foreign Ministry know very well that the SLORC has given special consideration to international relations and has accordingly worked for Myanmar [Burma] to have a good image in the international community. The SLORC, which took on the responsibilities of the state on 18 September 1988, in its Announcement No. 3/88 of that day stated that the Union of Myanmar will continue to pursue an independent and active foreign policy. Everybody knows, he noted, that the SLORC has implemented its foreign policy with straightforwardness and dignity in the area of international relations since then. He also noted, that it [the SLORC] has faced and steadfastly overcome—and is still steadfastly overcoming—threats, impasses, allegations, pressures, and tensions so as not to deviate from its independent and active foreign policy. [passage omitted on diplomatic principles and rejoining Nonaligned Movement]

He remarked that Myanmar has constantly opposed allegations based on the original fixed standard of human rights, which is without any regard to a country's significant historical, cultural, religious, and traditional backgrounds. Khin Nyunt explained that Myanmar has already accepted human rights standards in accordance with its own cultural and traditional background and these standards are the main consideration for the Myanmar people. He noted that, although the contribution of labor is a noble deed in Myanmar tradition, western tradition eyes it as forced labor and a violation of human rights. Next, he observed that Myanmar is working together with United Nations human rights organizations to show Myanmar's sincere desire to cooperate with international organizations concerning human rights. [passage omitted on cooperation with UNHCR, neighboring countries, and international organizations]

Continuing, Lt. Gen. Khin Nyunt explained that the SLORC, in order to effectively and extensively implement matters relating to foreign affairs, has formed the FAPC with responsible personnel from the government. He explained that the FAPC has been responsible for important policy matters concerning international relations. Next, he noted that the SLORC has reorganized the Central Committee for Drug Abuse Control and has stepped up its efforts with increased momentum on drug eradication. [passage omitted on formation of border development committee, drug eradication efforts, and formation of environmental protection committee] He remarked that the damage to Myanmar's image caused by allegations based on human rights, drug eradication, and environmental protection matters can be repaired if the current achievements are made known to the international community. He noted that the main duty of the Foreign Ministry service personnel is to inform the international circle about the accomplishments, the government's stance, and its goodwill. [passage omitted on activities of information committee] He stated, only when one knows the true facts about one's country can one be able to explain it to others. Khin Nyunt urged the foreign service personnel to study more about the country's true facts and to explain those genuine conditions when opportunity arises for the benefit of the country. [passage omitted on national convention, economic reforms, economic plans, personal affairs of foreign service personnel, national objectives, national reconciliation, and border development]

He explained that he was saddened to hear that some armed organizations have not only neglected the country's goodwill gesture for national reconciliation but have been planning to create obstacles for the country. He noted that these organizations have accepted assistance from countries and organizations which are trying to influence Myanmar, and are drawing up plans and trying to humiliate and tarnish Myanmar's image on the international stage. He remarked that they have approached foreign governments, nongovernmental organizations, and international organizations and have given them fabricated news concerning Myanmar; they have drawn up and engaged in plans to create difficulties, to exert pressure, to impose political and economic sanctions, and finally to isolate Myanmar from the international community. He said that they are using all kinds of ways to influence various international organizations. In implementing their plans, they have arranged talks and seminars at foreign universities and among intellectuals, and have approached organizations that present awards. Khin Nyunt explained that it can be clearly seen that they have now even reached the international organization level by using human rights as a leading tool. He noted that since these organizations are using diplomatic and other means to implement their plans, the state [Myanmar] will also have to use the right diplomatic approach to let the world know of the state's constructive views. He stated that last year a special

delegation was sent to several countries to explain Myanmar's stance, objective, and achievements. [passage omitted on diplomatic code of conduct, and cooperation among departments]

Finally, Khin Nyunt urged foreign service personnel to abide by the diplomatic code of conduct in performing their duties and responsibilities, to let the world know about the state's objectives and accomplishments, to uphold the dignity of a diplomat and abstain from activities that would tarnish the country's status, to safeguard Myanmar culture and traditions and to be patriotic, to be loyal to the country and the people, to adhere to the public services code of conduct and to fulfill the national duties of a citizen, and to work for the betterment of the country and the people with a spirit of unity. The ceremony concluded at 0900.

U Nyunt Swe Returns From Vietnam, Laos Visit

*BK2904024994 Rangoon Radio Burma in Burmese
1330 GMT 28 Apr 94*

[Text] U Nyunt Swe, deputy minister of foreign affairs, has returned by air this evening after paying a goodwill visit to Vietnam and Laos at the invitation of Mr. Vu Khoan, deputy foreign minister of Vietnam; and Mr. Thongsavat Bouppha, deputy foreign minister of Laos.

Minister Leaves for ADB Meeting in France

*BK2904154094 Rangoon Radio Burma in Burmese
1330 GMT 29 Apr 94*

[Text] A Myanmar [Burma] delegation led by Brigadier General Win Tin, minister of finance and revenue, left Yangon [Rangoon] by Myanmar Airways International this evening to attend the 27th annual meeting of the Asian Development Bank [ADB] to be held in Nice, France on 3 May.

The minister and delegation was seen off at Yangon airport by Brig. Gen. Abel, minister of national planning and economic development; U Khin Maung Yin, minister of construction; Mr. Francois Sirdon, acting charge d'affaires of the French Embassy; responsible personnel from the Ministry of Finance and Revenue and Department of Foreign Economic Relations, and family members.

SLORC Holds Peace Talks With Mon Insurgents

BK2804125694 Oslo Democratic Voice of Burma in Burmese 1430 GMT GMT 27 Apr 94

[Text] Dear listeners: The second round of [peace] talks between the New Mon State Party [NMSP] and the SLORC [State Law and Order Restoration Council] was held at Moulmein. A Democratic Voice of Burma reporter sent the following report:

It has been learned that the NMSP delegation and the SLORC delegation held a second round of talks on 20, 25, and 28 March at Moulmein. The first round of talks

were also held at Moulmein on 31 December 1993, 2 and 3 January 1994. The NMSP delegation was led by Nai Tun Aung with Nai Tin Aung, Nai Htay Myint, Nai Hla Win, and Nai Wai Lwin Aung as members; the SLORC delegation was led by Major General Ket Sein, commander of southeast military command, with Colonel Aung San, Lieutenant Colonel Myint Soe, Lt. Col. Soe Htay, Major Ye Myint, Brigadier General Kyaw Win, Col. Thein Swe, and Lt. Col. Kyaw Thein as members.

The NMSP held a meeting at Manerplaw on 25 April to explain about the talks. The ceremony was attended by leaders and members of the Democratic Alliance of Burma, the National League for Democracy—Liberated Area, and other organizations in Manerplaw. The NMSP delegation explained that they raised 14 points with the SLORC at the talks including a cease-fire and state border demarcation, solving political problems by political means, and to hold nationwide political talks. It has been learned that there were differences of opinion between the NMSP and the SLORC regarding the cease-fire and border demarcation matters.

'Major Battle' Said Brewing With Khun Sa Forces

BK0105124194 Bangkok THE SUNDAY POST in English 1 May 94 p 5

[Text] Mae Hong Son—A major battle between the Muang Tai Army [MTA] and Burmese forces is looming on the Thai-Burmese border. Khun Sa sent more troops to reinforce MTA fighters confronting Burmese soldiers on the banks of the Salween River earlier this week.

The Burmese army has mobilised troops near the area occupied by Khun Sa since last month. The opium warlord said the battle was expected in the second week of May.

"The confrontation is at Ban Namchang, Namtu, Hsenwi, Namhkam, Mong Tang and Mong Gne which are located on the eastern side of the Salween," he said after a blessing ceremony for the reinforcements.

About 3,200 fighters from the army's 12 infantries attended the ceremony which lasted three hours on Tuesday. He said they were the well-trained.

"The Shan State has been encircled by the Burmese forces for four months. There was occasional fighting with 300 soldiers killed and a large number of injuries on both sides and we have to send more troops."

Khun Sa acknowledged that he had a 20,000 strong army.

"The MTA has no other choice but to fight till the end. If we don't defend ourselves, the Burmese forces will intrude on our territory. We have to push them back."

An American dressed in a military uniform was seen during the ceremony. Peter Bond, as identified by Khun Sa, was a former consultant of the US Drug Enforcement Agency (DEA) who retired from the service.

"At one time, he treated me as drug kingpin. Now he just comes and has some meals with me," Khun Sa said. He refused to elaborate.

[One of four photographs accompanying article shows a Western man in military uniform. Caption reads: "An American identified as Peter Bond, in MTA uniform, is present at the ceremony to see off MTA soldiers. Drug warlord Khun Sa said Bond, 60, was formerly an adviser on narcotics affairs to the U.S. Government under President Jimmy Carter."]

Khun Sa Hopes To Declare Shan State Independence

BK2804031394 Bangkok THE NATION in English 28 Apr 94 p A9

[Text] Homong, Burma—Opium warlord Khun Sa said over the weekend he hoped to be able to declare the Shan State's independence from Burma in three years, and called for European support for his movement.

His associate, Chao Saengdeun Saengkham, also expressed hope that the group and its supporting Mong Tai Army (MTA) would be able to extend its authority over a larger portion of Burma's northeastern Shan State within one to two years. He said they hope by then to be able to declare a government with the participation of seven other ethnic groups—Akha, Lahu, Palaung, Pa-O, Tai, Tashin, and Wa.

Khun Sa was being interviewed by THE NATION at his headquarters in Homong. At the time he was seeing off about 3,000 newly trained troops who were leaving for the frontlines to counter advancing Burmese forces approaching from the western side of the Salween River. A few days earlier the MTA had dispatched other fighters to join about 2,000 MTA forces already operating on the other side of the river. An aide said the fresh troops would be sent to the Sino-Burmese border to encircle Burmese forces.

Brunei, Malaysia & Singapore

Malaysia

UN 'Double Standards' on Bosnia Condemned

BK2904053194 Kuala Lumpur BERNAMA in English 0817 GMT 28 Apr 94

[Text] Kuala Lumpur, April 28 (OANA/BERNAMA)—Malaysia has once again voiced its concern over the increasing tendency on the part of certain influential members of the United Nations Security Council to be selective in [word indistinct] questions of international peace and security. Malaysia's permanent representative to the UN, Razali Ismail, said this was clearly demonstrated by the council's reluctance to enforce its own resolutions to the situation in Bosnia. Razali said: The procrastination and half-hearted approach to end Serbia's blatant aggression and practice of ethnic-cleansing

in Bosnia-Herzegovina is a clear example of the council's selectivity and double standards.

In fact, the council appeared to be locked in a political paralysis with some influential members weighing the political, financial and manpower costs to get involved in the crisis, he said when addressing the opening of the [word indistinct] working group on the question of equitable representation on and increase in the membership of the security council in New York, Wednesday.

The text of his speech was faxed to BERNAMA on [word indistinct] Thursday.

Razali said: Worse still, the council continues to deny the inherent right of the victims of aggression and the government of Bosnia and Herzegovina for collective or individual self-defence under Article 51 of the charter.

Razali said the council must use the special power given it to display impartiality and drop its double standards and not be dictated by its domestic constituents alone.

A close and careful examination of the security council's record clearly revealed that its achievements remain far from satisfactory. There are too many crisis and trouble spots in the world that demand the council's attention, he said.

Minister Supports Proposed Conference on Bosnia

BK2804132994 Kuala Lumpur BERNAMA in English 0310 GMT 28 Apr 94

[Text] Kuala Lumpur, April 28 (OANA-BERNAMA)—Malaysia Thursday welcomed the proposed international conference to find a comprehensive solution to the situation in Bosnia-Herzegovina but stressed that the fundamental premises should remain right and valid.

Malaysia also called on the United Nations to lift the arms embargo immediately to allow a sovereign member state to defend itself from Serbian aggression.

Speaking at the United Nations Security Council debate on Bosnia-Herzegovina in New York, Foreign Minister Abdullah Ahmad Badawi said the UN should also arm and equip the UN Protection Force (UNPROFOR) troops accordingly, so that they could enforce the peace and protect the people of Bosnia-Herzegovina.

The text of Abdullah's speech was faxed to BERNAMA from the Office of the Permanent Mission of Malaysia to the UN in New York.

On the international conference, Abdullah said the proposed peace process should involve the parties of the conflict, namely the major powers, the UN, Organisation of Islamic Conference (OIC) member countries and the UNPROFOR-troop contributing countries.

Abdullah said that to achieve peace, the international community must contribute to the peace process by setting in place the structures and the necessary conditions.

Malaysia, he said, was also disappointed with some countries for hindering the work of the international war crimes tribunal. He added that there was enough evidence to put on trial Serbian leaders for their atrocities.

Abdullah said Malaysia would contribute US\$2 million (about RM5 million) towards defraying the cost of the work of the tribunal.

ASEAN To Apply Uniform Environment Standards

BK2904113494 Kuala Lumpur NEW STRAITS TIMES in English 28 Apr 94 p 2

[Text] Kuala Lumpur, Wed.—ASEAN members will apply the same standards to minimise air and water pollution by the year 2010.

Science, Technology, and Environment Minister Datuk Law Hieng Ding said today the commitment was made at the sixth ASEAN ministerial meeting on the environment under the Bandar Seri Begawan Resolution on Environment and Development. The two-day meeting in Brunei ended yesterday.

Describing it as a major breakthrough, he said applying the same environmental standards would ensure efforts to contain water and air pollution were harmonised in the region.

ASEAN members have targeted that by the year 2010, the pollutant standards index (PSI) for air quality should be below 100 PSI, while for river water, the PH (acidity) should be between six and 8.5. The other water quality parameters include dissolved oxygen of 2 mg/l or more and total suspended solids (TSS) of 200 mg/l or less.

Further to this, he said 1995 had been declared ASEAN Environment Year where each member country would highlight specific events to commemorate the occasion.

Besides official meetings, ASEAN members would hold informal discussions on the environment from time to time. Malaysia will take the lead by holding the first informal meeting at the end this year.

Law said ASEAN members had agreed to strengthen regional cooperation in the monitoring of transboundary movement of toxic wastes. This was in line with the Basel Convention members' agreement on the immediate export ban of toxic waste from industrialised to developing nations

"At the meeting, we pledged to actively implement actions as outlined in Agenda 21 and promote the principles contained in the 1992 Rio Declaration on Environment and Development.

"Under our ASEAN Strategic Plan of Action on the Environment for 1994 to 1998, we reached a consensus to harmonise policy directions as well as to enhance operational and technical cooperation.

"We also agreed to undertake joint action to address common environmental problems," he told reporters after attending the weekly cabinet meeting.

Law also said the concerted efforts by ASEAN ministers to integrate environment and economic policies at regional level was testimony that developing countries were sincere and committed in achieving sustainable development.

"We need to guard ourselves against the developed countries lest they accuse us of disregarding our environment in our pursuit of development. They may resort to such tactics to impose trade sanctions against us.

To push ASEAN in the forefront on environment, he added it had been proposed that the ASEAN secretary general be represented at the Commission on Sustainable Development (an outcome of the 1992 earth summit) meeting in New York at the end of next month.

Mahathir on Aid to South Africa, Investments

BK0205091494 Kuala Lumpur Voice of Malaysia in English 0600 GMT 2 May 94

[Text] Malaysia will step up trade and economic cooperation with South Africa and make investments to help that country develop and progress after the all-race elections and the installation of a democratic government.

Prime Minister Datuk Sri Dr. Mahathir said he discussed these matters with African National Congress, ANC, leader Nelson Mandela and President de Klerk during his brief visit to South Africa. President de Klerk and Mandela welcome Malaysia's proposal. Datuk Sri Dr. Mahathir was replying to questions by Malaysian newsmen covering his five-day visit to Zimbabwe.

He said Malaysia would also provide training facilities to South African officials if there was a request for such facilities from the new government. Datuk Sri Dr. Mahathir said the two leaders had invited him to make an official visit to South Africa and he also had extended invitations to the two to make a similar visit to Malaysia.

The prime minister was accompanied by his wife, Datuk Sri Datin Paduka Dr. Siti Hasmah and the deputy secretary general of the Foreign Ministry, Datuk Abdul Halim Ali, during his brief visit to South Africa. The prime minister has left for Morocco on an unofficial visit, where he will visit the new mosque in Casablanca.

He was also expected to visit Paris where he will meet his French counterpart, Edouard Balladur.

Air Force Said to Seek MiG-29 Simulator

BK2804142494 Kuala Lumpur NEW STRAITS TIMES in English 26 Apr 94 p 4

[Text] Kuala Lumpur, Mon.—The Royal Malaysian Air Force [RMAF], which is buying MiG-29 air superiority fighter jets from Russia, wants a simulator for training to be included in the package.

RMAF Chief Lt. Jen. [Lieutenant General] Datuk Abdul Ghani Aziz said today this was a problem because the Russians did not manufacture simulators to train pilots prior to their flight training.

"To overcome this problem, we are looking for manufacturer a of simulators to come up with one for th MIG-29.

"However, we need to deal with the problem of intellectual property rights as the Russian aircraft manufacturer has to allow data on the MiG-29 to be fed into the simulator manufacturer's computers before such a machine can be built."

Abdul Ghani was asked what was holding up the contract, believed to be worth between RM [Malaysian ringgit] 1.2 billion and RM1.6 billion, for the jets despite the Russians being early on the scene compared with their United States' rival, McDonnell Douglas, in pitching for the supply of new aircraft.

Unlike the Americans, the Russians had been pushing for the sale of their aircraft as early as 1992 and had even got the contract drafted out as late as last year.

Abdul Ghani was speaking to reporters after a courtesy call from his Philippines counterpart Major General Nicasio Rodriguez at his office at Wisma Pertahanan here.

Rodriguez had earlier called on Armed Forces chief Jen. Tan Sri Borhan Ahmad.

Abdul Ghani said it was important that the RMAF obtained a simulator to train its new pilots, especially to deal with emergencies.

"Some of the crashes involving new pilots are due to pilot error ... they are not able to handle situations such as simulated emergencies," he added.

*** Army Plans To Establish Emergency Force**

94SE0112A Kuala Lumpur BERITA HARIAN in Malay 31 Mar 94 p 2

[Article by Ralhanah Abdullah]

[Text] Melaka, 30 March—The Malaysian Army will establish an elite force to be known as Gerak Cepat Khas 10 Briged Para [10th Special Rapid Deployment Parachutist Brigade] to provide a special defense force for use whenever the country faces a critical situation.

Gen. Ismail Omar, commander of the Malaysian Army, said that this force will consist of personnel from the 8th Royal Ranger Regiment (Parachutist), the 9th Royal Malay Regiment, and the 17th Royal Malay Regiment. Gen. Ismail said that their training program is now under way, and it is hoped that this force can be formally established by next Army Day, 16 September 1994. He is aware that many problems will be faced by members of this force, such as the need to become accustomed to

parachute jumping. However, he hopes that they will be patient and zealous in carrying out their training.

This force needs to be formed now because a number of other countries have already established such a force in an effort to improve their defensive resources even further. According to Gen. Ismail, it is only proper for Malaysia to establish such a force also to deal with crisis situations. He said this after reviewing the equipment of this force and the activities of its personnel at Terendak Camp, Masjid Tanah, in Melaka on 30 March.

According to Gen. Ismail, when this force is formally organized, consideration will be given to sending its members to serve with the United Nations.

Furthermore, he reminded Army personnel in this country always to be alert when on the highways, particularly when they are riding motorcycles. A total of 846 traffic accidents have occurred throughout the country involving members of the armed forces, 10 percent of which have involved fatalities. He said: "I think accidents involving members of the Army are expensive because training newly enlisted personnel takes a long time."

He also said that in 1994 2,000 housing units will be provided to Army personnel. This total will be increased to satisfy a need for 28,000 housing units. In the State of Melaka alone 1,200 housing units will be built in 1994.

*** Paper Applauds Government Help for Sabah**

94SE0113A Kuala Lumpur BERITA HARIAN in Malay 28 Mar 94 p 10

[Unattributed editorial: "Allocation Proves BN (National Front) Sincerity"]

[Text] The approval of an allocation of 500 million ringgit for implementing projects in Sabah shows the sincerity of the National Front (BN) government's promise to fulfill its responsibilities to the people of that still backward state. The announcement of the allocation was made only a few days after the BN formed a new government in the state. The allocation proves the BN government feels that efforts to develop Sabah can no longer be delayed. It is up to the state government under the leadership of Tan Sri Sakaran Dandal to speed the process of preparing a project proposal paper, which needs to consider the overall benefits to be enjoyed by the people of Sabah. In our view, although the money may be available, it should not be spent indiscriminately or without careful study. We should not be too greedy, as though money were "falling from the sky." The money is the people's money and needs to be channeled to the people wisely. Therefore, each proposed project should consider local economic and social interests in order to avoid waste. Waste will bring disaster. To ensure efficient management and administration, social and economic research should be conducted first.

Considering the present condition of the Sabah people, we agree with the view of Deputy Prime Minister Datuk Sri Anwar Ibrahim that projects for supplying water and electricity need to be given priority. These two basic facilities are normally the absolute measure of poverty. Naturally, the focus will be on rural residents, who lived in helplessness under the previous government, which was led by the Sabah United Party (PBS).

For members of the state legislature (led by the BN) in an area like that, it is their duty and responsibility to make detailed recommendations on what the government needs. They can get information immediately from development officials of the state or from the respective divisions and districts. The most effective thing for them to do will be to visit the people and see their helplessness for themselves, instead of receiving information while they occupy soft seats in their offices. That is not the kind of BN member that the people of Sabah are expecting. BN legislators must serve the people in the best possible way. We need for them to prove to the Sabah people that they were elected because of their ability to serve the people and state of Sabah. For those who left their original parties and joined the BN, this is their time to prove that, having no confidence in their original parties, they did not transfer for their own interests but for the interests of the people.

If, as the BN has charged, the PBS could not develop Sabah because of its unwillingness to cooperate with the Central Government, the time has come for BN legislators to prove the truth of that statement. They need to prove that the PBS has indeed been an obstacle to progress. Thus, they need to prove that through the BN the situation will be greatly changed. We do not want BN legislators to be negligent in taking action, to give opportunity to the PBS, or to return "unripe fruit" to the BN. The BN will be tested at least once every five years. We do not want Sabah to return to its original condition, which will make it more difficult for us to take power. The experience of the last election should be a lesson on how hard it is for the BN to eradicate the state-centered sentiment created by the PBS.

We realize that from now on Sabah needs to act more appropriately in order to be on an equal footing with states administered by the BN. Despite enthusiasm, however, we do not want the BN to slip or follow erratic impulses that cannot benefit the people as a whole.

We also agree that the government should speed up its effort to establish a university in Sabah. It is only through building such a university that we will see all the people of the state, whether rich or poor, receiving equal benefit. As long as they have the qualifications, all the people deserve to occupy Sabah's grand ivory tower.

*** UMNO Launches Drive To See All Members Vote**

94SE0113B Kuala Lumpur BERITA HARIAN in Malay 30 Mar 94 p 16

[Text] Shah Alam, 29 Mar—UMNO [United Malays National Organization] leaders at the division and branch level in the Federal Territory and Selangor have been directed to campaign to ensure that all UMNO members register to vote.

Tan Sri Muhammad Muhd. Taib, chairman of the UMNO Liaison Committee for the Federal Territory and Selangor, said yesterday that a review should be made of UMNO membership lists and voter lists to ensure that all members become voters in general elections. He said that UMNO members who are found qualified to vote but have not registered should be helped to register.

"It is regrettable that there are UMNO members who are qualified to vote but are not registered as voters," he said today after attending a meeting for the signing of a cooperative agreement between the Selangor Foundation and Pembinaan Mitra Jaya Sdn. [Incorporated] Bhd. [Limited] (PMJ).

Last Friday [25 March], UMNO Vice President Datuk Sri Najib Tun Razak, who is also chairman of the UMNO Membership Enlargement Committee, said that 388,466 UMNO members who are qualified to vote have not yet registered.

Muhammad said the UMNO Liaison Committee for the Federal Territory and Selangor will discuss the issue, primarily to determine the exact number of UMNO members over 21 years of age who have not registered as voters. He said those who are 18 are qualified to be UMNO members but cannot yet register as voters.

*** Anwar Ibrahim Asks Private Sector Support**

94SE0114A Kuala Lumpur BERITA HARIAN in Malay 28 Mar 94 p 2

[Text] Georgetown, 27 Mar—Deputy Prime Minister Datuk Sri Anwar Ibrahim urged the private sector to give full support to the development effort and the advancement of the people in this country. He said the private sector's support is necessary because it bears some social responsibility. In fact, the nation cannot boast of cultural and educational development if it is not matched by economic growth.

"Approaches to development do not mean economic methods alone but include culture and intellectual traditions, such as a climate of reading, which needs to be supported by the private sector," he said. He said this tonight in a speech at the start of a dinner held by the Pulau Public Library Board. Also present were Pulau Pinang Chief Minister Dr. Koh Tsu Koon and Deputy Chief Minister Datuk Dr. Ibrahim Said.

Anwar, who is also minister of finance, said full advantage needs to be taken of economic growth to prove that the development concept we are following has a unique and distinct corporate philosophy.

"Conceptual approaches to development in this country are different, and we need not borrow all the experience of the private sector in the West in order to create a national economic system," he said. In that connection, he said, the people want to see a Malaysia that is successful in keeping the growth rate at around 8 percent and inflation below 4 percent. He urged the public and private sectors to compete and cooperate and to reject an attitude of happiness with the growth we have already enjoyed, because such an attitude could hinder development efforts.

Cambodia

KR Attacks Marchers, May Hold Foreign Hostages

BK3004164594 Hong Kong AFP in English 1631 GMT 30 Apr 94

[Text] Phnom Penh, April 30 (AFP)—Khmer Rouge [KR] guerrillas killed a Buddhist monk, two nuns and an elderly man, as well as injured several other monks, when they attacked a peace march in northwest Cambodia, a police officer said Saturday.

The guerrillas opened fire with automatic weapons and rocket-propelled grenades as the marchers were being escorted by government troops in northwest Battambang's Bavel district, said Mek Dara, the deputy police commissioner for Cambodia's second city of Battambang.

Kol Sarul, one of the three injured monks who was brought to Battambang hospital, told AFP that the Khmer Rouge "came from everywhere."

"The army of Pol Pot then stole all our money and medicine," he said.

Up to 12 foreigners walking with the monks might have been taken hostage during the attack, a spokeswoman for the march, Kong Nary, said in the Cambodian capital. Police in Battambang could not immediately confirm the report. The marchers were being led by Nobel peace prize nominee Maha Ghosananda.

"How can the Khmer Rouge dare attack Buddhist monks like that? When will our country ever have peace," Kong Nary said. "When they attack the Dhammayietra (peace walk), it's just like they attack our nation."

KR Detains Six Foreigners

BK0105105794 Hong Kong AFP in English 1035 GMT 1 May 94

[Text] BAVEL, Cambodia, May 1 (AFP)—Foreigners taking part in a peace march which was attacked by Khmer Rouge [KR] guerrillas in northwest Cambodia were briefly detained by the guerrillas and then released safe and unharmed, one of the foreigners said Sunday. A group of six foreigners was detained by the guerrillas along with Cambodian marchers for several hours Saturday, Liz Bernstein said.

The group was marched into the forest where they met a guerrilla commander who later said they were free to go and told a Cambodian marcher to guide them back to the peacewalk.

The Khmer Rouge stole cameras watches and other valuables but released the group unharmed, she said.

Earlier Cambodia's King Norodom Sihanouk expressed sorrow and outrage over the Khmer Rouge attack on the march which left three Buddhists dead as well as the foreigners and others missing.

"I would like to express my condolences and sorrow to Maha Ghosananda, the monks, laymen, compatriots and foreign friends...who sacrificed to serve the ideals of peace, national reconciliation, non-violence, and friendship through the peaceful ways of our Lord Buddha," the king said in a statement.

A spokesperson for the march, known as the "Dhammayietra Walk for Peace" and organised by Cambodian spiritual leader Maha Ghosananda, said one Buddhist monk, a nun and a layman were killed and at least three other monks were injured in the attack. Police in Battambang however reported that four people had died in the attack.

King Sihanouk advised that the peace march be cancelled to avoid "other accidents which could...happen again."

The marchers were attacked by Khmer Rouge guerrillas late Saturday near Bavel district in Battambang province, the police said. They were being escorted by government soldiers when the guerrillas attacked with automatic weapons and rocket-propelled grenades, a police officer in Battambang said.

An injured monk, one of three brought to Battambang hospital, told AFP that many people ran into the forest when the guerrillas attacked. The guerrillas then robbed the marchers of valuables, march spokeswoman Nou Sambo said.

King Sihanouk said in the statement that the Khmer Rouge were "responsible for this sad and tragic act," and asked them to "cease their violent ways."

Some 1,000 marchers set out on 400 kilometer (250 mile) walk from Battambang on April 24. Their route

was to take them along National Route 10 to the Khmer Rouge stronghold of Pailin, and then on to the heavily mined and strife-torn regions of northwestern Cambodia before ending at the temples of Angkor Wat. But Maha Ghosananda decided to change the course Saturday after heavy fighting between the government and Khmer Rouge guerrillas blocked the march's progress along Route 10 and after the radical faction refused to give a guarantee of safe passage. Another spokeswoman for the march expressed her indignation at the attack.

"How can the Khmer Rouge dare attack Buddhist monks like that? When will our country ever have peace?" Kong Nary said late Saturday. "When they attack the Dhammayietra, it's just like they attack the nation," she said.

Maha Ghosananda, who has been labelled the "Gandhi of Cambodia" and has been nominated for a Nobel peace prize, led two previous walks through the militarily volatile provinces to call for peace in Cambodia, one in 1991 and the other in the run-up to the May 1993 UN-organised elections.

Bernstein, an American who lives here and works with Maha Ghosananda, said the guerrillas opened fire on two government soldiers who were walking in front of the peace march near Kompong Pouy about 20 kilometers (12 miles) west of Battambang. A monk and a nun were shot dead and six other people, including four monks, were injured, Bernstein said. Other monks pleaded with the government soldiers not to fire back.

A guerrilla leader later apologised and said his men didn't intend to kill the monk and nun.

Around six other foreigners were on the march but were further behind and were not stopped by the guerrillas.

Reportage on Roundtable Meeting Continues

KR Accused of Avoiding Meeting

BK2904160994 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 29 Apr 94

[Station commentary: "The Khmer Rouge's Game"]

[Text] People still well remember that on 22 April 1994, Khieu Samphan, head of the party of Democratic Kampuchea [PDK]-Khmer Rouge [KR], sent a letter to His Majesty King Norodom Sihanouk Varaman stressing that, in line with the profound aspiration of our entire nation and people, the PDK would like to express full support for the proposal, the product of His Majesty's profound insight, to organize a roundtable meeting for peace and national reconciliation.

But hardly had the ink on this letter dried up than Khieu Samphan sent another lengthy and detailed letter to the king expressing concern over security for himself and his delegation during their trip to Phnom Penh to attend the

roundtable meeting under the king's chairmanship, to be held in the Royal Palace from 2 to 7 May.

On 27 April, the British REUTER news agency excerpted the statement of a Khmer Rouge representative [words indistinct], in which he said shamelessly that the Khmer Rouge would seize Sisophon and Poipet next month. This man stressed further that the Khmer Rouge would start moving to gradually seize positions until they had total control of Poipet and Sisophon.

The above cases clearly attest that the Khmer Rouge have continued to play their old trick of catching a fish with two hands [words indistinct] won over the republic regime of Lon Nol in 1975. This game is played by holding negotiations while launching attacks or holding negotiations in order to launch attacks; and by holding negotiations in order to postpone any solution and to facilitate attacks aimed at seizing as many positions as possible. (In other words), they have striven to attack in order to bargain on the negotiating table. This is why, although the Royal Government has made many concessions, the Khmer Rouge have stubbornly sought one pretext after another in order to prolong the solution to the problem and enable them to sell logs and gems and gain money to buy weapons for storage to serve their guerrilla war. However, after His Majesty the King issued a statement on 22 April calling for a roundtable meeting, whether they liked it or not, the Khmer Rouge pretended to support this idea. Later, they have sought pretexts to foil the roundtable meeting, or at least to delay it or move it from one place to another.

The main pretext raised by the Khmer Rouge is the so-called issue of their personal security [words indistinct]. In fact, it is widely known that Khieu Samphan's security can not be the cause. This is because the security of the Khmer Rouge representative in Phnom Penh is fully guaranteed.

On the night of 25 April, His Excellency Ek Sereivoat said that the security for Khieu Samphan has been arranged very thoroughly: that is, as soon as he comes out of the plane, he will get into a car. The well-wishers, including journalists will not be allowed to get near him.

Observers of Cambodia have also pointed out that Khieu Samphan has raised the issue of security in order to avoid coming to attend the roundtable, scheduled to be held from 2 to 7 May. In fact, this is just a pretext.

Our people wonder why if the Khmer Rouge are patriots and really want to solve the Cambodian problem through political means, have they hesitated to come to Phnom Penh? Since they dare not come even to attend the roundtable, what can they do? If the roundtable meeting is held somewhere other than Phnom Penh; and if through that meeting, the Khmer Rouge are given some posts in the Royal Government, will they dare to come to work in Phnom Penh? Do the Khmer Rouge know how to carry out the role of officials only in the jungle? And must their meetings be held only in foreign countries?

Due to all these matters, our people are not very optimistic about this roundtable meeting. And even if the meeting is successful, the implementation of the spirit of this roundtable meeting cannot be guaranteed. This is because everyone knows very well that so far the Khmer Rouge have never respected anything, such as the Paris agreement, that they have signed.

Our people persistently ask everyone to stop playing the Khmer Rouge's game.

Government Rejects KR's Proposal

BK3004094394 Phnom Penh AKP in French 0407 GMT 30 Apr 94

[Text] Phnom Penh 30 Apr (AKP)—Prince Krompreah Norodom Ranariddh and Samdech Hun Sen, respectively first and second prime ministers, have indicated that the roundtable meeting to take place from 2 to 7 May cannot be postponed as has been proposed by the nominal Khmer Rouge Leader Khieu Samphan.

At an audience on Friday, 29 April, with a French delegation led by Francois Fillon, minister for higher education and research, the two government leaders also underlined that in the event of the failure of the roundtable meeting, the government should submit a draft law outlawing the Khmer Rouge for the National Assembly's adoption.

In a message addressed to His Majesty Norodom Sihanouk on 27 April, Khieu Samphan asked for "a neutral place" due to the country's security problem and "an appropriate date."

"The Khmer Rouge are not able, no matter what, to occupy a region totally," reaffirmed the Cambodian prime ministers, adding that the Royal Government of Cambodia [RGC] has mapped out "a complete plan" to defend security and the country.

Prince Ranariddh and Hun Sen appealed to foreign investors not to worry about security problem and pointed out that the RGC has legislations to guarantee their interests in Cambodia.

Rejected by Khieu Samphan

BK0105140794 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 1 May 94

[Message from Khieu Samphan, chairman of the Party of Democratic Kampuchea, to King Norodom Sihanouk; dated 1 May—read by announcer]

[Text] To His Majesty King Norodom Sihanouk of Cambodia, Royal Palace, Phnom Penh:

Your Majesty, I would like to express my most profound thanks to Your Majesty for sending me another message dated 30 April 1994. Like your previous messages, this one clearly shows your constant consideration for the destiny of our country and the Cambodian race in your

role as the father of peace and national reconciliation who wants to hold a roundtable meeting to achieve national reconciliation and peace quickly.

In accord with the constant position of the Party of Democratic Kampuchea [PDK], all of us—to the best of our ability—have always studied and thought about how to assist, support, and fulfill Your Majesty's national reconciliation initiative. This responds to the profound aspirations of the Cambodian nation and of every Cambodian.

For reasons Your Majesty is already well aware of, though, I am of the opinion that under current circumstances, in order to ensure security and provide equal status to all sides attending the roundtable meeting, the meeting should be held in one of the places Your Majesty suggested in your second formula or another neutral place.

Your Majesty is already aware that Phnom Penh is not safe for the PDK delegation and is also not a neutral venue.

Please forgive any improprieties.

[Signed] PDK Chairman Khieu Samphan

[Dated] 1 May 1994

Vietnamese Troops Said Used in Battambang

BK0105093994 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 30 Apr 94

["Press communique" issued by the National Army of Democratic Kampuchea spokesman on 30 April; place not given—read by announcer]

[Text] I. Reliable sources say that ever since the communist Vietnamese, their allies, and the puppets of the communist Vietnamese and the United States were successively defeated, first on the Anlung Veng battlefield and then on the Pailin battlefield—during which their troops and military materiel were strategically destroyed—the communist Vietnamese, their allies, the puppets of the communist Vietnamese and the United States, and the two-headed government have not been able to recruit any new soldiers. They have also failed to mobilize old soldiers.

II. Thus they have grown angry and are gasping for air. They have shown their nature as aggressors, territorial expansionists, exterminators of the Cambodian race, and foreign lackeys. They have begged the communist Vietnamese to send communist Vietnamese aggressors to intervene in Battambang. Twenty truckloads of Vietnamese aggressor troops have been dispatched to Battambang to help get their wretched troops out of trouble.

III. The Cambodian nation and people and the National Army of Democratic Kampuchea [NADK]—who absolutely adhere to King Norodom Sihanouk's national reconciliation and peace plans—are uniting to thwart the

dirty and deceitful plan of the communist Vietnamese, their allies, and the two types of puppets of the communist Vietnamese and the United States, who are begging the communist Vietnamese to dispatch troops to help the traitors and Vietnamese aggressor lackeys who have sold out the nation.

IV. The Cambodian people and the NADK absolutely oppose these people and will struggle against them. We are willing to fight until we deal their final plan further serious defeats.

[Signed] The NADK spokesman
[Dated] 30 April 1994

Laos

Joint Technical Team To Conduct MIA Search

BK0105084894 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 1 May 94

[Text] Implementing the Lao Government's humanitarian policy toward the families of American personnel missing in action during the war, and based on the 1994 cooperation plan approved by both sides, the Lao-American Joint Technical Team will carry out a joint operation in the two northern provinces of Houa Phan and Xieng Khouang from 4 May to 1 June. This will be the fifth joint operation carried out under the 1993-94 plan. During this fifth joint operation, technicians from both sides will investigate plane crash cases and look into information about American nationals the U.S. side believes are still alive. They will also conduct surveys and excavations at a total of nine sites in the two provinces. This is the largest number of sites surveyed and excavated since the first instance of cooperation. During the planned joint operation, technicians from both sides will be divided into three groups—two excavation groups and one investigation group. The joint operation team is expected to complete its work in these two provinces before moving on to work in other provinces.

The Lao side has done its best thus far to uphold its obligations in accordance with the plan agreed to by the two sides.

Bilateral Cooperation Discussed With PRC Delegation

BK2904005994 Vientiane KPL in English 0936 GMT 28 Apr 94

[Text] Vientiane, April 26 (KPL)—Mr. Boun-gnang Volachit, mayor of Vientiane, yesterday afternoon, received here the visiting delegation of the Chinese Province of Liaoning led by its deputy governor, Mr. Gao Guozhu.

The mayor of Vientiane capital warmly welcomed the visitors and hoped that the visit would contribute to the enhancement of the relations of friendship and cooperation between the two nations. The sides discussed

several issues of mutual interest and informed each other about their efforts for socioeconomic development.

Earlier on the same day, the Chinese delegation had a meeting with the delegation of the Lao Committee for Planning and Cooperation led by its deputy president, Mr. Leuan Sombounkhan.

The sides exchanged information with each other with an intention to study the possibility to cooperate in the areas of building construction, road and airport construction, hydro-power plants, mining, light industry and others.

SRV Personnel Delegation Visits Vientiane

BK2904154594 Vientiane KPL in English 0944 GMT 29 Apr 94

[Text] Vientiane, April 29 (KPL)—A delegation of the [SRV] Government's Personnel Commission led by its deputy head, Nguyen Khac Thai, paid a working visit to Laos from April 21-28, at the invitation of Mr. Vilaivan Phomkhe, deputy head of the Personnel Commission of the Lao People's Revolutionary Party, reports VNA.

During its stay, the Vietnamese delegation held talks with a delegation of the Lao party's Personnel Commission. The two sides were of the same views to strengthen the special friendship and allround cooperation between the two personnel commissions.

The Vietnamese delegation called on and had working sessions with the personnel department of the Vientiane city, that of the Ministry of [Communications], Transport, Post and Construction, and the Ministry of Agriculture and Forestry. It also made a tour of economic [words indistinct] in Laos.

On April 27, the Vietnamese delegation and a delegation of the Personnel and Administrative Department of Laos signed a five-program cooperation agreement [words indistinct] 1994.

On the same day, the Vietnamese delegation was cordially received by Mr. Khamphoui Keoboulapha, Politburo member of the Lao People's Revolutionary Party Central Committee. Mr. Khamphoui Keoboulapha highly valued the delegation's visit.

Party Delegation Returns From Vietnam

BK3004114594 Vientiane KPL in English 0938 GMT 30 Apr 94

[Text] Vientiane, April 30 (KPL)—A delegation of the Organization Board of the Lao People's Revolutionary Party Central Committee [LPRP CC] led by its head Thongsing Thammavong, who is also LPRP CC Politburo member, returned home yesterday winding up its cordial visit to the Socialist Republic of Vietnam between April 19-29.

While there, the Lao delegation paid a courtesy visit to Do Muoi, general secretary of the communist party of

Vietnam, exchanged views with the Vietnamese side on the organization work, party building and personnel training in the new period and on other issues of mutual interest. The Lao delegation also visited some economic and cultural bases in Hanoi and Ho Chi Minh City.

Measures To Promote Foreign Investment Featured

BK2904114794 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 26 Apr 94

["Feature" by Vansai Tavi-gnan: "Cooperate Appropriately and Effectively in Foreign Investment"]

[Text] Respected listeners: Our party and state have developed directions, plans, and policies to broaden economic cooperation and relations with foreign countries. It is a strategic program aimed at bringing about prosperity for our multiethnic people as well as building and developing the country. With the implementation of this line over the past five to six years, our country has ushered in an era of switching to the state-regulated market economy mechanism. With this mechanism, we have advanced toward the achievement of an economic and cultural structure intended to produce a large quantity of goods in order to create conditions for an accumulation of funds to develop the country.

The existing line and the law on the management of foreign investment have created favorable conditions to attract and encourage more and more foreigners to invest in Laos. Over the past five to six years, domestic and foreign businessmen have been allowed to invest in more than 350 projects in our country. During the first part of this year alone, the Planning and Cooperation Committee has given permission for foreign businessmen to invest in a total of 43 projects in our country worth \$116 million. Of these, 27 projects have a total cost of less than \$1 million, 13 projects have a total cost of \$1-5 million, and three projects have a total cost of more than \$5 million. Total investment has doubled compared to last year; last year it was \$50 million. It has increased almost four times over the first year in which foreign businessmen were allowed to invest in our country. Investments by foreign businessmen in our country are mainly in the agricultural, forestry, industrial, and handicrafts fields. They have also invested in the services, such as in tourism, hotels, and banks. Most investors in our country come from Thailand, followed by China, Hong Kong, and Taiwan.

To make foreign management and investment efficient and to provide legal guarantees for the just interests of each side, in early March the Lao People's Democratic Republic [LPDR] National Assembly endorsed a law on the promotion and management of foreign investment in Laos. It was an amendment of the old law on foreign investment, making it more suitable and in conformity with the current new conditions regarding economic relations and cooperation with foreign countries. In addition, to increase investor confidence, the general

provisions in Article Three, Chapter One of the new law on the promotion and management of foreign investment stipulate that foreign assets and investment in Laos be fully protected by the laws and regulations of the LPDR. They may not be requisitioned, confiscated, or nationalized by the state unless it is necessary to use them in the public's interest. In that case, foreign investors will be compensated promptly in a rational and honest manner. All of this shows that our party and state are pleased to cooperate with all countries that have the good intentions to achieve mutual benefit and respect each other's laws.

Although the law on promotion and management of foreign investment has been amended in recent years as more foreigners have invested in our country and the total value of investment has increased, we still have many shortcomings that should be settled attentively.

An example of such a weak point is that approval for foreign investors to invest in our country has been authorized in a hasty manner, without a careful examination or study of the concrete details. As a result, brokers have taken advantage of the situation to make contacts for foreign companies to gain such rights. But when they gain the rights, instead of giving them to the companies they work for, they sell them to companies in other countries. This has cost foreign companies many years before they could begin making investments. Worse still, when the brokers fail to sell the rights, they do not report the delay or cancellation of the investment rights to the authorities. As a result, those who really want to invest in these projects miss their chance. It has also created difficulty and confusion in the work sectors concerned. Approval of various foreign investment projects should be clearly fixed on the basis of what levels are authorized by the central level or the provincial level.

Another weak point is the confusion in the management process. There are too many steps to take and too many authorities that must sign papers. Moreover, there is a shortage of cadres working in this branch. The cadres also have limited knowledge and capability, thus inconveniencing investors.

There is an indication that foreign investment in Laos will expand in the future. In view of this, in order to cooperate with foreign countries appropriately and more effectively, it is necessary to implement the law on promotion and management of foreign investment even more strictly. The shortcomings must be quickly settled. Appropriate methods must be studied and put into actual practice in order to create conveniences for foreign investors and make them confident that they will obtain reasonable income that will gain by investing in Laos in accordance with state laws. In addition, direct investment in various forms of cooperation by foreign countries must be promoted. Emphasis must be placed on investment in the agricultural, forestry, and hydroelectric fields as well as in the construction of the economic and cultural infrastructure in order to produce

goods for export. Investment in the services field must also be promoted. This will create the conditions for an accumulation of assets for the construction and development of our country to make it stronger with each passing day.

Philippines

ASEAN Officials To Cooperate on Pollution Standards

BK0205091094 Manila BUSINESS WORLD in English 28 Apr 94 p 20

[By Rosemarie V. Francisco]

[Text] Environment officials and ministers of the six-member countries of the Association of Southeast Asian Nations (ASEAN) recently approved the implementation of a strategic plan of action on the environment (ASPEN) over a four-year period.

The approval of the plan was a major achievement of the 6th ministerial meeting on the environment since it harmonized environmental quality standards in the region, said Department of Environment and Natural Resources (DENR) Undersecretary Benjamin Bagadion, Jr. who headed the ASEAN Senior Officials on the Environment (ASOEN), the technical group which drafted the action plan.

Also, the ASEAN-member countries gave their go-signal to the proposal allowing the Philippines to house the ASEAN biodiversity center. This facilitates the release of the U.S. \$19 million funding for the center which will be provided by the European Union, since the funding was hedged on whether the ASEAN will approve the proposal.

The approval of the action plan took less than year. The plan, which has 10 strategies and 27 specific actions spelled out the countries' commitments with regard to sustainable development.

Mr. Bagadion said the environment officials from Indonesia, Malaysia, Philippines, Singapore, Thailand and Brunei Darussalam which hosted the 6th ministerial meeting on the environment, all lent their full support to the action plan, thus, the speedy approval.

The ASPEN's objectives are the following:

- respond to the specific recommendations of Agenda 21, the action plan adapted by the United Nations Conference on Environment and Development (UNCED), which required priority action in the region;
- introduce policy measures and promote institutional development that encourage the integration of environmental factors in all developmental processes both at the national and regional levels;
- establish long-term goals on environmental quality and work towards harmonized environmental quality standards for the ASEAN region;

- harmonize policy directions and enhance operational and technical cooperation on environmental matters, and undertake joint actions to address common environmental problems; and
- study the implications of ASEAN Free Trade Area (AFTA) on the environment and take steps to integrate sound trade policies with sound environmental policies.

During the meeting, the ASOEN formed six working committees on six environmental issues such as trans-boundary pollution, nature conservation, environment conservation, marine environment, environment management, and information and public awareness in order to fully discuss the region's specific concerns.

The action plan calls for the implementation of the following 10 strategies:

- support the development of a regional framework for integrating environment and development concerns in the decision-making processes;
- promote government-private sector interactions that lead towards the development of policies that mutually support the thrust of each sector;
- strengthen the knowledge and information data base on environmental matters;
- strengthen institutional and legal capacities to implement international agreements on the environment;
- establish a regional framework on biological diversity conservation and sustainable utilization of its components;
- promote the protection and management of coastal zones and marine resources;
- promote environmentally sound management of toxic chemicals and hazardous wastes and control of trans-boundary movement of hazardous waste and their dispersal;
- develop a system for the promotion of environmentally-sound technologies;
- promote regional activities that strengthen the role of major groups in sustainable development; and
- strengthen the coordinative mechanism for the implementation and management of regional environment programs.

Senate Ratifies Amendment to BOT Law

BK0205092894 Manila BUSINESS WORLD in English 28 Apr 94 pp 1, 6

[Excerpt] The Senate finally ratified yesterday a bill amending the build-operate-transfer (BOT) law to enable greater participation of the private sector in infrastructure development.

The ratification, now by both houses of Congress, paves the way for the bill's formal enactment into law.

Senate bill 1586 is entitled "An act amending certain sections of Republic Act 6957 entitled An act authorizing the financing, construction, operation, and maintenance of infrastructure projects by the private sector."

While the compromise bill retains the 60 percent-40 percent nationality requirement for BOT contracts, the scheme provides for several variations in which the private sector may participate.

Among them are:

- build-and-transfer, where the private sector undertakes financing and construction and turns it over to government which shall pay the contractor its total investment plus reasonable rate of return;
- build-own-and-operate, where the private sector constructs and operates project and is allowed to recover investment by collecting tolls and other fees;
- build-lease-and-transfer, where the private sector finances a project, turns it over to the government on a lease arrangement for a fixed period of time, after which the project is automatically owned by the government;
- build-transfer-and-operate, where government contracts out project to the private sector which builds the facility, assumes cost overruns, delays, and other risks;
- contract-add-and-operate, where the private sector adds to an existing facility which it is renting from government, and operates it for a period of time.

Other variations of the BOT as spelled out in the bill of Senator Gloria Macapagal Arroyo, are the develop-operate-transfer, rehabilitate-operate-transfer, rehabilitate-own-operate, and project proponent where the private sector assumes contractual responsibility for the project.

The senator said only projects with an estimated cost of more than P300 million [Philippine pesos] will require approval by the National Economic and Development Authority (NEDA).

Local projects to cost from P50 million to P200 million will need the approval of the regional development councils.

Another feature of the bill which is expected to "attract" foreigners is a provision minimizing congressional inquiries into an ongoing BOT project, she said. [passage omitted]

Communists To Avenge CPP Assassination Attempts

BK0205091694 Manila BUSINESS WORLD in English 28 Apr 94 p 12

[By Sandra S. Aguinaldo]

[Text] A communist leader yesterday warned Jose Maria Sison his faction is ready to retaliate if the Netherlands-based central committee will attempt to kill oppositionists.

Arturo Tabara, allegedly one of the insurrectionists or anti-reaffirmist faction, a group strongly opposed to Mr.

Sison's revolutionary strategies, confirmed his group already has a liquidation order from the communist hierarchy.

He said the anti-reaffirmist faction will be the leadership's first target because it has a strong following and has been a consistent critic of Mr. Sison's "defective ideological foundation."

Based on intelligence reports, the faction has the largest number of members coming from the central committee and the entire Communist Party of the Philippines (CPP). Its largest group is the Manila-Rizal Regional Committee (MRRC) which was said to have 40 percent of the entire party membership.

Recently, the New People's Army (NPA) Melito Glor Command, the group who owned responsibility for the killing of former NPA leader Leopoldo Mabilangan, said their next targets are Mr. Tabara, alleged former head of the CPP's Visayas Commission; Romulo Kintanar, alleged former NPA chief; Felimon Lagman, alleged leader of the breakaway Manila-Rizal Regional Party Committee (MRRC); and, Ricardo Reyes, alleged former CPP secretary general.

Gregorio Rosal, spokesperson of the command reportedly chaired by Mr. Sison himself, said the "renegades" of the communist movement are involved in counter-revolutionary activities.

But Mr. Tabara said his group's activities in the past were under the party's "official revolutionary policy."

He admitted CPP members' involvement in kidnapping and other activities considered illegal under the Philippine law, but said they were done under the communist party's expropriation policy.

The expropriation policy, he said, is the act of confiscating movable and immovable properties from landlords, bank, multinational corporations in order to contribute to the party's cause.

He said Mr. Sison cannot condemn former partymates of these activities because expropriation had been an "open practice" before it was "centralized to the politburo."

"Bakit kami lang? Dapat responsibility yon nang buong party. Dapat suriin ang policy para magkaroon ng pagbabago [Why only us? It should be the responsibility of the whole party. The policy should be reviewed to have a reform]," Mr. Tabara said.

He echoed Mr. Reyes' statement the other day that the central committee leaders should explain the activities of the people's court. "Hindi na iyan yung people's court dati [It is not the old people's court]. We are not expecting fair trial anymore. As good as sentenced na kami [We are good as sentenced already]."

"We strongly warn Sison and his Stalinist faction to stop all the pretense of judicial process to mete out orders of summary executions of opposition leaders."

He also laughed off Mr. Sison's accusation that the oppositionists are out to liquidate him. "Walang assassination plot laban kay Sison. Gawa-gawa lang nya yon [There is no assassination plot against Sison. He just made it up]," he said.

Thailand

U.S. Envoy's Concern Over New Alien Law Eased

BK3004093294 Bangkok BANGKOK POST in English
30 Apr 94 p 26

[Text] US Ambassador David Lambertson told Thai Commerce Minister Uthai Phimchaichon yesterday that Washington fears proposed amendments to the Alien Business Law will harm operations of US businessmen already in Thailand. The 1966 Treaty of Amity between the US and Thailand allows Americans the same rights as Thais to engage in many occupations normally prohibited to foreigners.

The law is being amended because the new General Agreement on Trade in Services, due to come into force next year, will prohibit signatories from discriminating among foreigners of different nationalities in professional and other services.

The European Community, Japan, Australia and a number of other developed countries have repeatedly complained that their nationals are deprived of the rights granted in Thailand to Americans.

The United States is worried that by rewriting the law and ending discrimination, Thailand will withdraw rights now held by Americans rather than extending them to other nationals.

Mr Uthai said Mr Lambertson feared the amendments would retard investment by Americans in Thailand.

"I informed to him that the law just approved the recommendations of the committee set up to amend the law, but it still needs future review and submission to the Cabinet again before being read in the Parliament," Mr Uthai said. "So it is still not certain that the amended law will be passed as proposed."

A source said the proposed amendments did not specify that business operations that have already been established or may be established in the future under the Treaty of Amity would be exempted. The old Alien Business Law made this distinction.

Mr Uthai said Mr Lambertson also insisted that Universal Insurance Co, a Thai firm 99.84 percent owned by American shareholders, should receive the same right as Thai firms in setting up its 11 branches under the Treaty of Amity.

But he told the US envoy that the ministry is seeking a legal interpretation from the Juridical Committee on

whether Universal Insurance will be treated as a Thai or an American firm. The Cabinet will have the final say in the matter, Mr Uthai said.

Mr Lambertson characterized his one-hour talk with Mr Uthai as a good discussion and expressed hope that a satisfactory solution could be reached in the Universal case.

Mr Uthai also said that Mr Lambertson confirmed that Thailand would remain on Washington's so-called Priority Watch List, under which the US will monitor the protection of the intellectual property rights. At the same time, Washington recognized the progress Thailand was making in enforcing patents and copyrights, he said.

ARF's Need To Address Spratlys Issue Stressed

BK0105131394 Bangkok THE SUNDAY NATION in English 1 May 94 p A12

[Editorial: "ARF Must Address Trouble on the South China Sea"]

[Text] Much to the horror of the organizers of July's inaugural regional defence summit in Bangkok, a real security issue is fast developing in the South China Sea.

The officials laying the groundwork for the Asean Regional Forum (ARF) in Bangkok had hoped to keep any potentially explosive topics out of the unprecedented meeting, but with tensions rising dangerously around the disputed Spratly Islands, the issue will have to be addressed if the ARF is not to become a farce.

Last week's announcement by US prospecting firm Crestone that it has begun surveying for oil off Vietnam's continental shelf with the "full support and protection of China" has alarmed regional analysts and government officials who fear that Beijing is bent on bringing the long-simmering dispute to a head.

High-risk prospecting

Under its contract, Crestone will have access to a prospection area of 25,155 square kilometers, the largest area ever turned over to an oil company in Southeast Asia. Not only does the move violate a regional agreement to avoid complicating negotiations on the disputed archipelago, but the location of the concession is being seen by some as outright provocation.

The Crestone block is 280 kilometers southeast of the Vietnamese coastal city of Vung Tau and 1,100 kilometers from Hainan Island, the closest piece of uncontested Chinese territory. China also claims control of the neighbouring Paracel Islands where it built an air base after forcibly evicting the Vietnamese in 1974. But even this outcrop of rock is still more than 700 kilometers from the Crestone zone.

The Chinese claim is based on its "historic" control of nearly the entire South China Sea, which is bordered by Malaysia, the Philippines, Brunei, and Taiwan, all of

which are claimants to the Spratly Islands. While Beijing has repeatedly dismissed concerns about the so-called 'China threat' and vowed "never to seek hegemony," it appears precisely set to do that in the oil-rich waterway.

The Crestone concession is dangerously close to Vietnam's Blue Dragon oil fields—also claimed by Beijing—and the onset of activity there belies Beijing's earlier promises to set aside competing claims and consider joint development of the Spratlys.

Issue is central to Asean

For Asean, the Chinese action is alarming because the organization has long made it known that it considers the South China Sea a test case of China's intentions in the region. In particular, it revives fears of a recurrence of the bloody military clash between China and Vietnam in 1988.

The economic success of the Southeast Asian states over the last 15 years owes as much to the return of peace and stability in the region as to any other single factor. The last thing Southeast Asia needs is a return to the years of conflict, closed-door foreign policy and expensive arms purchases that marked the seventies. In an ominous sign, only three days after the Crestone announcement, Taiwan started patrolling waters surrounding the atolls in a bid to emphasize its claims to sovereignty.

The ARF is scheduled to hold its first session on July 25, after the annual meeting of foreign ministers from Asean member countries. China and Vietnam will attend as guests along with a host of other powers with security interests in the region, including Russia and the United States. The tentative agenda for the meeting is stacked with events intended to foster a spirit of conviviality and confidence among the 18 members before any serious topics are touched upon in later years.

But the Spratly issue needs serious multilateral attention before it possibly spirals out of control. Early attempts to defuse the row, including a joint scientific project have failed to yield any agreement.

Calling a meeting of the region's top security officials in a bid to find ways to avoid conflict is commendable. But to set an agenda that ignores the most pressing threat to peace in the region for the sake of conviviality is pointless. The South China Sea disputes should be settled now before they escalate. Avoiding them will not make them go away.

Prasong Rules Out Hosting Cambodian Peace Talks

*BK3004093094 Bangkok BANGKOK POST in English
30 Apr 94 p 6*

[Text] Government officials yesterday met informally in Aranyaprathet District with their Cambodian counterparts to discuss the reopening of the border closed late last month following a rocket attack which wounded two Thai civilians.

The Cambodian delegation led by Fifth Army Region Deputy Commander Gen Duong Sokhon crossed the border from Poipet to Khlong Luk in Aranyaprathet where they met with the commander of the Burapha Task Force Maj-Gen Nipphon Pharunnit.

The meeting ended inconclusively but talks are expected to resume after the peace negotiations in Phnom Penh from May 2-7.

Gen Duong told Thai reporters his troops commanded by Gen Lai Virak had successfully repulsed Khmer Rouge guerrillas from Highway 5. The highway is still closed to the public however. The general said guerrillas were grouping close to the Thai border at Ban Khok Sabang and Ban Nong Iam villages.

Gen Duong promised to investigate if the mortar shell which landed at Rong Kula black market on March 26 leaving two Thai traders injured was fired by government troops or guerrillas. He said he was willing to offer compensation to the victims if it could be proven his troops were responsible for the shelling. The general insisted his forces did not fire deliberately on Thailand.

Cross-border shelling is accidental, he said, and promised to instruct his troops to be more careful in the future. He also said he was willing to hold talks with the Thai military to resolve any border problems.

General Duong complained the price of consumer products in Poipet had risen sharply since the closure of the border at Khlong Luk-Poipet. He said officials were trying to solve the problem.

Poipet, he said, is now almost deserted with the majority of the people having fled elsewhere for fear of attack by the Khmer Rouge.

Foreign Minister Prasong Sunsiri yesterday made clear that Thailand would decline any request for it to be the venue of talks among Cambodians.

"Cambodia has a government of its own. The roundtable is an internal matter. There should be no need for (Cambodians) to meet in Bangkok. If they ask, it is not our affair," he said.

The minister had been asked whether Thailand might be a venue if the Khmer Rouge refused to go to Phnom Penh. The guerrillas have cited security reasons for wanting the talks, set to start on Monday, to take place somewhere else. The Khmer Rouge regarded security as important, Squadron Leader Prasong said.

"I think the Khmer Rouge should participate in the roundtable." But security measures should be well prepared, he said.

The minister maintained that "preparedness" and compatibility in systems would be important to Vietnam's becoming a full member of the Association of Southeast Asian Nations (ASEAN).

As a socialist country, Vietnam would need time to adjust, notably in terms of financial systems, including taxation and banking, he said.

The minister was commenting on reports that Indonesia had expressed support for Vietnam's membership of ASEAN. Vietnamese President Le Duc Anh yesterday was winding up a visit to Indonesia.

Asked about the prospects of competition, Sqn Ldr Prasong said this should not be an obstacle to Vietnam's membership of ASEAN. To beat the competition, the Thai private sector should improve quality and service, he said.

"We have come a long way. Vietnam needs time, perhaps another three or five years."

Sqn Ldr Prasong was reserved on reports that Indonesia is in favor of Vietnam becoming an observer to the Asian Pacific Economic Co-operation (APEC) forum.

"It is a good idea to have friends in the Asia-Pacific region become observers," he said. But he noted that the APEC meeting in Seattle last November agreed not to receive new members for the next three years.

Editorial Calls for Closure of Refugee Camps

*BK0205030194 Bangkok BANGKOK POST in English
2 May 94 p 4*

[Editorial: "Time To Close All The Refugee Camps"]

[Text] Nearly 20 years after their war ended, Indochinese refugees continue to tax the conscience and resources of other nations. A generation after the communists captured Vietnam, Cambodia and Laos, refugee camps dot Southeast Asia. The existence of these camps, and the people in them, sorely test the very concept of refugees. When the first Indochinese fled in 1975, they were fleeing violence, and either the real or perceived oppression they felt would occur from new regimes. In short, they left their countries because of fear. They were welcomed, or at least accepted, in neighbouring countries such as Thailand. The sympathy for refugees was clear, and it was warranted.

Today, it is a far different story. The three Indochina countries—especially Vietnam and Laos—are settled. All of these nations and their regimes have rejoined the world community. They deal with day-to-day problems like any other nation. Small battles still erupt in Cambodia, and when these occur at a border, it is natural that the innocent flee across the frontier to safety. But none of the three countries is embroiled in war. No large segments of the Indochina populations are singled out for oppression by any of the three governments.

It is, therefore, possible to understand the Hmong, Lao, Vietnamese and Khmer refugees in Thailand and elsewhere who are reluctant to return home. The lands they left were in turmoil, and many of the refugees feared for their lives. The dread of jail, "reeducation," forced

separation of families and even worse caused the refugees to pack up and move. Since then, they have effectively lived in a closed society. Rumour and hearsay about their homelands have been the predominant form of information.

It is impossible, however, to sympathize with their claims to remain in their refugee camps or emigrate elsewhere. Their times of trouble have ended. The refugees are mistaking the warmhearted and compassionate asylum they once received with some sort of worldwide social welfare programme. There is little doubt that many would have been victims of vengeful regimes at home in the past. But 19 years after the fall of Saigon, there is clearly no such danger. It is past time for the Indochina refugees to pick up their lives again, in their own countries.

This task must be handled gently, but it must be handled. The few violent and militant refugees aside, humane officials must convince the Indochinese it is in their own interest to resume normal lives. It is to be expected that a tiny minority of the refugee camps will react angrily to repatriation. In the Vietnamese refugee camps of Galang, Indonesia, and Hong Kong, fighting, fasting and self-immolation has occurred. This is regrettable, and such acts must be carefully regulated. Outsiders have manipulated Hmong refugees in Thai camps with baseless rumours of actions both by the Thai and Laotian governments. Such actions must be overcome with information and truth, rather than force.

At the same time, it is vital for the refugees as well as neighbouring nations that these problems are, indeed, overcome. It is a mistake for the former refugees to believe they can continue to receive special treatment. Only true victims of great political or natural upheavals should expect such attention from others. The continuing claims of the Indochinese upon the limited resources of their neighbours and the world cheapens the true meaning of "refuge" as a reliable haven from such misfortunes. Thailand continues to award refugee status to both Burmese and Khmers who flee any current fighting in their homeland. The Indochinese who have been "refugees" for so many years effectively endanger even such logical aid to innocent people.

Voluntary repatriation of Indochinese should be pressed vigorously. The men and women in Southeast Asian camps may apply for emigration to other countries. But if this fails, they must accept—as all other world citizens—that returning to their homeland is the only possible option. Their dislike of their own regime should drive them to try to change it, if they wish. That is what dissatisfied citizens of all countries must do. The claim to special status by the Indochinese is unwarranted, in the end. Their great wars and political shocks have ended. It is time for both the refugees and those who have given them refuge in their time of turmoil and need to get on with their normal lives.

First Round of Tariff Talks With Taiwan Concluded*OW3004102194 Taipei CNA in English 0803 GMT 30 Apr 94***[By F.C. Kuo and Y.C. Tsai]**

[Text] Bangkok, April 29 (CNA)—Taiwan and Thailand will hold another round of tariff reduction talks under the framework of the General Agreement on Tariffs and Trade (GATT) in late June, a ranking Taiwan official said Friday [29 April].

Lin Yi-fu, deputy director-general of Taiwan's Board of Foreign Trade, made the statement following the conclusion of the first round of negotiations here.

Lin led a 13-member Taiwan delegation at the GATT tariff consultations, while Thailand was represented by Puangrat Asavaphisith, assistant director-general of business economy at the Ministry of Commerce.

During the one-day talks, Lin said, both sides agreed on tariff cuts for 40 items among the 38 agricultural goods and 20 industrial products under discussions.

Taiwan agreed to lower import duties on the 40 items an average of 24 percent, Lin said.

Those items pending agreement include fruits such as mango, papaya, mangosteen, and rambutan as well as rice products, for which Thailand is seeking significant tariff reductions, he added.

Lin and his delegation, who earlier visited Manila, the Philippines and Kuala Lumpur, Malaysia for similar tariff talks, will return to Taipei Saturday.

Taiwan has held similar talks with the United States, Australia, New Zealand, Chile, Turkey, South Korea, and Hungary.

Bilateral tariff talks with GATT contracting parties are expected to help ensure Taiwan's smooth entry into the Geneva-based world trade regulating body.

Taiwan, which was accepted as a GATT observer in September 1992, hopes to become a full member by the end of this year.

Power Plant Planned for Burmese Border Area*BK0205025294 Bangkok THE NATION in English 2 May 94 p B2*

[Text] The Provincial Electricity Authority is planning for construction of two power projects at the Thai-Burmese border costing about Bt[baht]4 billion, its governor said over the weekend.

The first project involves hydro electricity with an investment of Bt2 billion. The other is an underground thermal project in Keng Tung, Burma, with an investment of Bt2 billion. New Zealand will participate in the latter project.

According to Chulaphong Chunlaket, governor of the Provincial Electricity Authority, the Thai authority recently agreed with Brig Gen Kyaw Win, representing the Burmese side, to jointly invest in a hydro-electricity plant at Mae Sai River costing Bt2 billion, 70 per cent of which will come from the Thai side.

Chulaphong said that the authority will invite the private sector to provide up to Bt700 million or half the total Thai investment.

The hydro-power plant will produce 12 megawatts of electricity. The plant will supply two megawatts of electricity to Burma at Bt1.75 per unit. The remaining 10 megawatts will be distributed in Mae Sai district in Chiang Rai.

Chulaphong said that the Burmese side will provide labour and construction materials. He added that the Thai government does not need funding from the Asian Development Bank as private investment should be enough to fund the project.

The Mae Sai power project is one of seven projects looked at by the Thai-Burmese border committee. The other six are the Khlong Kra project, North Salween project, South Salween project, Moei projects I, II and III.

The Burmese side engaged EPDC [expansion unknown] of Japan to study the Mae Sai project one year ago.

Chulaphong said that Thailand has yet to fully study the Khlong Kra project, and it is expected that a feasibility study will be started after the study on the Mae Sai project is completed.

When the Mae Sai project runs at full capacity, it might have a capacity of 15 megawatts, Chulaphong added.

The second project is an underground thermal unit in Keng Tung, Burma, which is expected to have a capacity of 10 megawatts. The project requires an investment of Bt2 billion. The Burmese side will own 30 per cent of it, the same as the Mae Sai project.

Chulaphong said that the second project is under negotiation, and the Provincial Electricity Authority has invited private companies from New Zealand to participate in the project.

Army Chief, Chuan Dismisses Possibility of Coup*BK3004101294 Bangkok THE NATION in English 30 Apr 94 p 1*

[Text] Army Commander-in-Chief Wimon Wongwanit has emphatically ruled out the possibility of another coup, saying only neurotics expect the military to seize power again.

"I can assure my fellow countrymen that there won't be another coup," Gen Wimon said yesterday.

"Those who always sniff up (rumors of) a coup must have a bad, non-functional nose. These neurotic people deserve all the derision and scorn of the public."

Wimon also urged the media to ignore "ignorant and unsupported" predictions of another coup. He was responding to an academic's comments that present political uncertainty could result in the military again stepping in.

Chalongphop Suksangkan, the director of the Thailand Development Research Institute, said on Wednesday he believed there could be another coup unless Prime Minister Chuan Likphai dissolves the House of Representatives to defuse the political crisis. His widely-publicized comment was made at a seminar organized by the Board of Trade.

Chalongphop said the bombings in the South and the perceived poor performance of the government had hurt the economy and could lead to political tensions resulting in a coup.

Prime Minister Chuan Likphai told reporters at Government House yesterday that the likelihood of another coup was a non-issue and not worth discussing.

"I would like to ask those (who keep talking about the possibility of a coup): Are you doing this because you cannot hold your tongue, or because you want it to happen?"

A visibly annoyed Chuan said the public should help find ways to accelerate the country's democratization process rather than paying attention to "unproductive speculation."

"The country's democratization has come a long way. But the political development still is not fast enough for some groups of people," Chuan said. "My advice is don't give up hope. We are making steady progress."

Politicians and senior military officers said talking about a possible coup was counter-productive to the growth of democracy. Such talk would only damage Thailand's credibility in the eyes of the international community and scare away foreign investors.

Suspect Said To Confess to Station Bombing

*BK2904151294 Bangkok Thai Color Television
Channel 9 in Thai 1200 GMT 29 Apr 94*

[Excerpt] Six days after the bomb attack at the Nakhon Si Thammarat railway station, the police have arrested a suspect who turns out to be a woman. Our correspondent filed the following report:

[Begin correspondent recording] The suspect arrested in the bomb attack at the Nakhon Si Thammarat railway station has confessed that a love affair turned sour was the motive behind the attack. Wanphen Thongthaeng, 27, was arrested yesterday while hiding in Narathiwat Province. Under interrogation Wanphen confessed that

she carried out the bomb attack at 1220 on 23 April with the intention of killing Kokem Bunphit. Kokem was among the three people killed in the incident. [passage omitted] [end recording]

Government Handling of Station Bombing Criticized

*BK3004102594 Bangkok THE NATION in English 30
Apr 94 p A6*

[Editorial: "Too Premature To Wrap Up Nakhon Si Thammarat Case"]

[Text] Yesterday, Deputy Interior Minister Chamni Sakdiset announced that a woman was arrested in connection with an explosion at the Nakhon Si Thammarat railway station which killed three people and injured at least 27 others.

The woman arrested in Narathiwat allegedly confessed to setting off a grenade in order to kill an unfaithful lover after arranging to meet him at a noodle stall on the platform of the Nakhon Si Thammarat railway station. She told police the grenade had belonged to her ex-husband, a soldier.

Now it seems the authorities have decided to wrap up the case and are willing to rule out the possibility that saboteurs seeking to discredit the government were behind the blast.

It comes as no surprise that this woman has been arrested, because ever since the blast police officers including national police chief Pratin Santipraphop have said a "sour love affair" was behind the bombing. [sentence as published] Army chief Wimon Wongwanit also said "an affair" was behind the incident.

Whether the woman has been made a scapegoat or not is subject to debate.

Several lawyers have already threatened to file defamation suits against police officers who had claimed, allegedly without substantive evidence, that jealousy involving the noodle vendor was the motive behind the blast. The lawyers are representing Sutchai Butngam, the vendor who was one of the three killed and said to be involved in a love triangle.

Citing love triangles as reasons for bomb blasts in Thailand is nothing new for the police. In February last year, an ex-soldier was charged with murder after he confessed to sending a parcel bomb which exploded at the Samsen Noi post office, killing a postal officer and injuring five others.

The ex-soldier, according to police, intended the parcel bomb for a female department store employee after she had decided to end their relationship in order to marry another man.

The accused parcel bomber later claimed he was tortured by police into confessing to a crime he did not commit.

There is still a big question mark over whether a failed love affair was behind the Nakhon Si Thammarat blast. Political terrorism should not yet be ruled out as a factor behind last week's tragic incident.

If Interior Minister Chawalit Yongchaiyut or the government of Prime Minister Chuan Likphai are the targets, then we can expect to see more bombings. There is little doubt that many groups are out to discredit the Chuan government and are just waiting for its collapse so they can get back to business as usual.

Under no circumstances should we allow certain elements out to create anarchy in the country to jeopardize our hard-earned democracy. Intelligence gathering by the police and the Fourth Army Region based in the South has to be beefed up. As it is right now, there is a serious gap in the sharing of intelligence information between the police and military in the South.

Very often, the Fourth Army Region's intelligence network would be tipped off before certain events occurred. Somehow or another, for reasons best known to themselves, army intelligence is often reluctant to let their police counterparts—who work with civilians—in on the information.

When a criminal act keeps repeating itself at a certain frequency and innocent lives are lost, the authorities in charge of security have to be more responsible.

There are still many gaps in the Nakhon Si Thammarat bombing story and, unless there is watertight evidence, the case at this juncture should not be wrapped up by the authorities in the hope that the public would conveniently forget about it.

Assembly Rejects Government's Seven Bills

BK2904153794 Bangkok Radio Thailand Network in Thai 1200 GMT 29 Apr 94

[Text] Seven constitutional amendment bills sponsored by the government received less than half of the votes of the 625 members of the National Assembly during a joint session, which was opened at 0955 today. The draft legislation therefore failed to pass its first reading.

In compliance with the suggestion of House Speaker Marut Bunnak, the alphabetic roll call was employed and members of the National Assembly were requested to vote on all the seven bills at one time. Normally, special legislation involving constitutional amendment bills would require separate voting, which in the case of the seven drafts would take about 10 hours.

The result of the voting was that the seven bills failed to get 313 votes or half of the votes from the 265 senators and 360 members of the House of Representatives. The majority of the members of the National Assembly abstained from voting. The vote counting was completed at 1310.

In response to criticism of his job performance by some opposition members of the House, Prime Minister Chuan Likphai said it was a rather difficult task to try to please everyone, noting that the government had to be very careful in making decisions. He asked everyone to keep firmly to the democratic path, something which might not satisfy everybody. Things must proceed according to the procedures. He pointed out that the government not only had to serve the people, but also had to preserve the country's democratic system.

Members of the National Assembly stood up to hear the Royal Decree declaring the closure of the extraordinary session on 1 May.

The ordinary parliamentary session will be opened on 1 May for a period of three months.

Vietnam

UNHCR Representative Meets Ministers, Departs

BK3004151794 Hanoi VNA in English 1427 GMT 30 Apr 94

[Text] Hanoi VNA April 30—UN High Commissioner for Refugees S. Ogata left Ho Chi Minh City today, concluding a week-long visit to Vietnam.

While here, Madam S. Ogata was received by Prime Minister Vo Van Kiet and Foreign Minister Nguyen Manh Cam on separate occasions. She held talks with Deputy Foreign Minister Nguyen Dy Nien and met with Minister of Labour, War Invalids and Social Affairs, and representatives of the Interior Ministry.

At these talks, the two sides reaffirmed their determination to maintain and promote the cooperation aimed at achieving targets worked out by the Comprehensive Programme of Action (CPA) as well as in setting issues of common concern.

Madam Ogata visited the port city of Haiphong, the central province of Thua Thien Hue and Ho Chi Minh City, and other places where small UNHCR-funded projects are being carried out. She also met with some returnees under the programme sponsored by UNHCR.

Vo Van Kiet Interviewed on U.S. Ties, Reforms

BK0205093094 Melbourne Radio Australia in English 0630 GMT 2 May 94

[From the "International Report" program]

[Text] Vietnam's prime minister, Vo Van Kiet, says he is ready to establish full diplomatic relations with the United States immediately. In a rare interview, Mr. Kiet told Radio Australia's Hanoi correspondent, Christopher Kramer, that disputes between the two sides over property and assets left over from the Vietnam War presented no hurdles to normal ties. And the 71-year old Vietnamese leader indicated his willingness to stay at the

helm of government for another couple of years, despite being past retirement age. From Hanoi, Christopher Kramer filed this report:

[Begin recording] [Kramer] In his first interview since the lifting of the U.S. trade embargo in February, Mr. Kiet spoke for almost an hour about regional issues and relations with Australia and the United States. He said the recent visit of Prime Minister Paul Keating had seen a frank exchange of views based on friendship, leading to agreement on bilateral and regional issues.

Regarding the U.S., Mr. Kiet said the lifting of the embargo had improved the conditions for the continuing search for American MIA's and the disputes over property and assets left over from the Vietnam War presented no obstacles to full normalization of relations with Washington.

[Kiet in Vietnamese fading into English translation] Vietnam intends that the normalized relations between the United States and Vietnam inevitably will come. We are ready at any point of time for that because the normalized relations between the two countries are not only in the interests of the two countries but also in the interests of the region and the world over.

[Kramer] On the domestic situation, Mr. Kiet said the elimination of poverty was his government's main priority. But asked whether Vietnam wanted to move toward some form of multiparty democracy, he said maintenance of political stability was more important.

[Kiet in Vietnamese fading into English translation] Looking around as well as looking at the situation in Eastern Europe, we could see that there is such a lesson.

[Kramer] Mr. Kiet did, however, commit the communist party to continued political as well as economic reforms.

[Kiet in Vietnamese fading into English translation] We clearly see the interrelationship and the mutually supporting relationship between the economic reform and the political reform—these two areas are closely linked with each other and one gives [word indistinct] for the other.

[Kramer] Since Mr. Kiet came to office in 1992, he has presided over Vietnam's spectacular return to the world community, but on the domestic front he faces a widening gap between rich and poor and the daunting task of managing the country's transition from communism to free market economy.

Along with the president and communist party leader, he is widely expected to step down at around the time of the next communist party congress late next year or in early 1996. But having seen him in action on the tennis court, I can report that the prime minister is fighting fit and in no mood to step down.

[Kiet in Vietnamese fading into English translation] If I am able to contribute to the development of the country in line with the already identified projects, and if

my personal health permits me, and if there is a need expressed by the people, then I try my best. [end recording]

Le Duc Anh Begins Official Visit to Iran

Leaves for Tehran

BK3004101394 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 29 Apr 94

[Text] Accepting the invitation of His Excellency Hashemi-Rafsanjani, president of the Islamic Republic of Iran, SRV President Le Duc Anh left for Tehran on 30 April to begin his official friendship visit to the Islamic Republic of Iran. Accompanying President Le Duc Anh were Foreign Minister Nguyen Manh Cam; Nguyen Viet Dung, director of the Presidential Office; Commerce Minister Le Van Triet; Nguyen Cong Tan, minister of agriculture and food industry; Ho Sy Thoang, director of the Oil and Gas General Department; Tran Quang Tung, deputy minister of light industry; and Deputy Finance Minister Pham Van Trong. Vietnamese Ambassador to Iran Nguyen Chung Phu was also part of the delegation.

Arrives, Attends Dinner

BK0105144894 Hanoi VNA in English 1422 GMT 1 May 94

[Text] Hanoi VNA May 1—President Le Duc Anh and his party, arrived in Tehran on April 30 for an official friendship visit to Iran, attended a dinner given in their honour at the presidential guest house by the Iranian President Akbar H. Rafsanjani.

President A.H. Rafsanjani expressed the Iranian people's admiration over the Vietnamese people's struggle for national independence in the past as well as their national renovation and construction at present. He expressed his confidence that President Le Duc Anh's visit would strengthen further the cooperation between the two countries in various fields.

President Le Duc Anh expressed his pleasure at the achievements recorded by the Iranian [as received] people. He affirmed that Vietnam attaches great importance to the strengthening of its relation with Iran and noted with satisfaction that the relations of friendship and cooperation between the two countries have constantly been consolidated and developed.

President Le Duc Anh stressed that Vietnam is ready to cooperate with Iran on all fields in the framework of the South-South cooperation in the interest of the two countries as well as for peace, stability and security in the region and the world as a whole.

Holds Talks With Rafsanjani*BK0105151894 Hanoi VNA in English 1438 GMT
1 May 94*

[Text] Hanoi VNA May 1—Talks were held in Tehran today between President Le Duc Anh and Iranian President A.A. Hashemi-Rafsanjani.

Present at the talks on the Vietnamese side were Foreign Minister Nguyen Manh Cam, Head of the President's Office Nguyen Viet Dung, Minister of Commerce Le Van Triet, Minister of Agriculture and Food Industry Nguyen Cong Tan, Vietnamese Ambassador to India-cum-Iran Nguyen Chi Vu, General Director of the General Department of Oil and Gas Ho Si Thang and on the Iranian side, Foreign Minister Velayati, Head of President's Office Marashi [name as received], Minister of Commerce ol-Eshaq, Minister of Agriculture Kalantari, Iranian Ambassador to Vietnam Mirza-Taheri and others.

During the talks, President Hashemi-Rafsanjani welcomed again the Iran visit of President Le Duc Anh and his party as an important opportunity for discussion and exchange views aimed at further promoting the cooperation between the two countries.

For his part, President Le Duc Anh conveyed to Islamic leader A. Khamene'i, the Iranian president and other leaders and people best regards from Vietnamese leaders and people.

The two side informed each other of their economic and social situation and exchanged views on the issues in the region and in the world of common concern.

Vietnam highly values the position of Iran in the Middle East and the Persian Gulf region and appreciates the Iran's active contributions to peace, stability, security and cooperation in the region.

The two sides were of the same views that as members of the Non-Aligned Movement, Vietnam and Iran have a number of similar points and have favourable conditions to strengthen and develop the bilateral relation and cooperation of mutual benefits.

The two sides agreed to set up a joint committee for economic cooperation between the two countries in order to study concrete measures for strengthening their bilateral cooperations in the fields of trade, economy, oil industry, science and technology.

President Le Duc Anh invited the Iranian president to pay an official friendship visit to Vietnam. The invitation was accepted with pleasure.

On May 1, President Le Duc Anh and his party paid a floral tribute to the Islamic leader A. Khomeyni and visited some cultural establishments in Tehran.

Party Delegation Concludes Visit to DPRK*BK0105133894 Hanoi Voice of Vietnam in English
1000 GMT 30 Apr 94*

[Text] The Vietnamese Communist Party delegation led by Secretary of the Central Committee Mr. Hong Ha concluded its visit to the Democratic People's Republic of Korea. The delegation was received by President Kim Il-song and held talks with the delegation of the Korean Workers' Party.

Le Duc Anh Finalizes Visit in Indonesia**Joint Statement Announced***BK2904150294 Hanoi VNA in English 1422 GMT
29 Apr 94*

[Text] Hanoi VNA April 29—Following are large excerpts from a joint press statement released at the end today of President Le Duc Anh's four-day official friendship visit to Indonesia:

—On 27 April 1994, President Le Duc Anh held talks with President Suharto at the Independence Palace. The two leaders had discussions on the orientation and measures to further strengthen the friendship and multi-sided cooperation between Vietnam and Indonesia as well as on international regional issues of mutual interest.

—The Vietnamese side warmly welcomed Indonesia's active and independent foreign policy and greatly appreciated the important contributions made by Indonesia to the cause of peace, stability and development in the region and in the world in general it also stressed that Indonesia as chairman of the Non-Aligned Movement has actively contributed to the consolidation and enhancement of the Non-Aligned Movement's role, to the intensification of its activities and to the promotion of South-South cooperation and North-South dialogue. Vietnam confirmed its continued cooperation with Indonesia in these activities.

The two sides expressed satisfaction over the positive development of the relations between the two countries, especially since the visit to Vietnam by H.E. [His Excellency] President Suharto in November 1990 and the visit to Indonesia by H.E. Prime Minister Vo Van Kiet in October 1979 the two sides once again confirmed their resolve to preserve and develop the good relations of friendship, good neighbourliness and multi-sided cooperation on the basis of the ten principles of the Bandung Conference and the Five Principles of Peaceful Co-Existence.

The Vietnamese side expressed gratitude to Indonesia for having shared the latter's valuable experience with Vietnam in national construction and development and extended assistance to personnel training in such fields as science and technology, health, population, etc. The two sides noted with satisfaction the good bilateral cooperation on population control and family planning.

considering it as a concrete manifestation of the cooperation between developing countries. The two sides agreed to further strengthen this cooperation by helping to ensure the success of the forth-coming World Population Conference to be held in Cairo in September 1994.

With a view to intensifying the multi-faceted cooperation between the two countries, the two sides signed the memorandum of understanding [MOU] on tourism cooperation. The two sides agreed to further prepare for an early conclusion of the agreement on avoidance of double taxation and the agreement on postal and telecommunications cooperation.

The two sides were of the view that further efforts should be generated to fully utilize the great potentials of the two countries for promoting and broadening the cooperation in the interest of development of their respective countries. To this end, the two sides agreed to reconvene the Joint Commission for Economic, Scientific and Technical Cooperation so as to review and look for measures to increase trade and promote investments between two countries. The two sides also agreed on the speedy implementation of the signed agreements and MOUs.

The two sides noted with satisfaction the development of talks on the delimitation of the continental-shelf boundaries between the two countries. In this spirit, the two sides agreed to accelerate the negotiations on the basis of the results achieved so far, and the 1982 UN Convention of the Law of the Sea as well as the general international law principles and practices in accordance with the long traditional friendship between the two peoples with a view to bringing it to a conclusion as soon as possible for the sake of cooperation and development of the two countries.

The two sides took note of the signing of the tripartite memorandum of understanding (MOU) on the principles and arrangements relating to returning Vietnamese non-refugees from Indonesia among the Republic of Indonesia, the Socialist Republic of Vietnam and the UNHCR in Hanoi, 2 October 1993. They were of the view that greatest efforts should be taken by both sides in cooperation with the UNHCR to accelerate the implementation of the above mentioned MOU.

The two sides were pleased to note the positive changes and the strong trend towards peace, stability, cooperation and development in Southeast Asia. The two sides welcomed the efforts and initiatives made by countries in the region to encourage dialogues aimed at improving mutual understanding and peacefully settling the disputes and differences between countries in this region. The two sides reaffirmed their continued determination to broaden the relations of good neighbourliness and cooperation with all countries in the region, on the basis of equality and mutual benefit thus contributing to the building of a Southeast Asia of peace, freedom, neutrality, cooperation, prosperity and free from nuclear weapons.

The Vietnamese side highly valued Indonesia's and other ASEAN countries' support for Vietnam's observer status in ASEAN and its participation in the ASEAN functional committees as well as in a number of projects of ASEAN functional cooperation in such fields as science and technology, culture and information, environment, health, tourism, and human resources development.

The two sides noted that there was a common understanding between Vietnam and ASEAN on Vietnam's joining ASEAN as a full member. The Vietnamese side reaffirmed its readiness to work for the continued strengthening of multi-sided cooperation with ASEAN, and to prepare, together with ASEAN, the early entry of Vietnam as full member of ASEAN. Both sides believed that this development would not only be in keeping with but also in the interest of peace, cooperation and development in the region. [sentence as received]

The Indonesian side was of the view that Vietnam-ASEAN cooperation and Vietnam's participation in the forthcoming ASEAN Regional Forum in Bangkok would serve as an important and practical contribution to strengthening the trend of peace, stability and cooperation in the region.

The two sides shared the view that the changes in the global and regional situation are creating new opportunities as well as new challenges. This situation required all countries in the world to work together on the basis of peaceful co-existence, mutual respect of each other's independence and sovereignty, non-use of force or threat to use force, the settlement of disputes through peaceful negotiation, non-aggression, non-interference in each other's internal affairs and non-imposition of one country's will on the other. Both sides reaffirmed their determination to make continued contributions to the struggle of mankind for international peace and security and for national independence and prosperity.

President Le Duc Anh expressed his heartfelt gratitude for the warm welcome and generous hospitality accorded to him and his wife as well as his delegation by President Suharto and madame, the Indonesian state and people. President Le Duc Anh extended an invitation to President Suharto and madame to pay an official visit to Vietnam. President Suharto accepted the invitation with pleasure, the timing of which will be arranged through diplomatic channels.

Friendship Visit Hailed

BK3004115394 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 29 Apr 94

[Excerpt of 30 April NHAN DAN Newspaper editorial: "Vietnam and Indonesia Reaffirm Common Aspiration To Strengthen Traditional Friendly Relations and Multifaceted Cooperation"]

[Text] The official friendship visit to the Republic of Indonesia by state President Le Duc Anh has concluded

successfully. This important event strongly enhances the traditional ties of friendship and cooperation between the two countries for the common prosperity of the two peoples and in the interest of peace, stability, and cooperation of the entire region.

High-ranking Vietnamese and Indonesian leaders happily recalled the efficient implementation of the signed economic, cultural, education, and science and technology agreements. They also pointed out that there are many areas left for further bilateral cooperation such as commerce, navigation, aviation, tourism, finance, and agriculture.

The two sides agreed to fully exploit potentialities so as to bring economic and trade ties to the level of fine political relations. They held that on the basis of their goodwill, Vietnam and Indonesia can achieve satisfactory results in their efforts to settle some bilateral problems left over by history.

The NHAN DAN editorial concludes: After the Malaysian visit by General Secretary Do Muoi, this visit is new proof that confirms our country's success in the implementation of the policies to befriend all nations; to struggle for peace, independence, and development; and to attach importance to the enhancement of bilateral and multilateral friendly and cooperation ties for mutual benefit with all countries in the region.

Concludes Official Visit

BK3004143294 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 29 Apr 94

[Text] According to a Vietnam radio report, State President Le Duc Anh and his wife have successfully concluded an official friendship visit to Indonesia. After a flight of more than three hours, a special plane carrying President Le Duc Anh and his entourage arrived at Ho Chi Minh City's Tan Son Nhat Airport at 1315.

Before leaving Indonesia, President Le Duc Anh and his entourage visited some arts and handicrafts production units in Bali this morning and watched a traditional music performance there.

The governor of Bali and many high-ranking Indonesian Government officials bid farewell to President Le Duc Anh at Bali's international airport.

Assembly Delegation Ends India Visit

BK3004135694 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 29 Apr 94

[Text] As we have already reported, a Vietnamese National Assembly delegation led by Comrade Nong Duc Manh, member of the party Political Bureau and National Assembly chairman, paid an official visit to the Republic of India from 20 to 26 April at the invitation of His Excellency Patil, speaker of the Indian lower house

[Lok Sabha]. It was a high-level delegation of the Vietnamese National Assembly, led by its chairman, that paid this official visit to the Republic of India.

The delegation paid courtesy calls on President Dr. Shankar Dayal Sharma and Prime Minister Narasimha Rao. It also held talks with Patil, speaker of the Indian lower house, and met with MP's representing the major political parties of the Indian Parliament. They exchanged views on the activities of the national assemblies of both countries and on issues of mutual concern.

The delegation also met with Harkishan Singh Surjit, general secretary of the Communist Party of India-Marxist, CPI-M, and Inderjit Gupta, general secretary of the Communist Party of India, CPI. Prasad, chairman of the Parliamentary Committee for Population and Development, paid a courtesy call on Chairman Nong Duc Manh.

The Vietnamese National Assembly delegation led by Chairman Nong Duc Manh successfully concluded its official visit to the Republic of India and returned to Hanoi on the afternoon of 28 April.

NHAN DAN on 'Peaceful Evolution' Strategy

BK3004163094 Hanoi NHAN DAN in Vietnamese 10 Apr 94 p 4

[Bui Quoc Huy Article: "Peaceful Evolution, the Successive Strategic Scheme"]

[Text] The imperialists and hostile forces have been persistently striving in every way to sabotage the world revolutionary movement. Ideas of the ways to eliminate socialism with "peaceful evolution" had been nurtured since the 40s in this century when the reality of the power balance did not allow the imperialists to use military intervention when it so wished to topple socialism. At the end of the 80's, the imperialists and hostile forces sparked by the successes of "peaceful evolution" in Eastern European countries and the former Soviet Union, pushed forward their activities in the hope of obtaining "victory without war" in the remaining socialist countries.

In our country, "peaceful evolution" and the activities of the hostile forces have been and are developing new traits, contents, forms, and maneuvers. They make clear their intentions, aims, and action plan for the peaceful evolution scheme in Vietnam. The contents of the scheme are comprehensive and cover all economic, political, ideological, cultural, and diplomatic areas. Numerous measures and forms are being deployed flexibly. These measures are unilateral and multilateral, with violence and without, and use governmental and non-governmental bodies. They are peaceful and non-peaceful evolution measures, in-depth and wide, vigorous and in careful order using well-coordinated forces.

They constantly attack us on the political and ideological fronts aiming to erode trust in the party leadership,

separate the party and the people, deny the glorious past of the Vietnam revolutionary party. They also openly criticize Marxism-Leninism and Ho Chi Minh thought. Our choice of socialism and the renovation undertaking is denounced with the hope that it will make people lose their confidence and question their ideals. Their maneuvers are virulent and well-organized because they combine secret with overt activities, with the support and assistance of hostile forces to fight socialism in our country as well as in others.

As an adjustment to the strategy, the hostile forces use "human rights" as a major striking force against us. They elevate "human rights" and "democracy" into strategic issues. They blatantly accuse us of "religious oppression", "democratic coercion", and "human rights violations". They demand that we release "political prisoners", using it as an excuse to interfere in our internal affairs, and advocate support for dissident forces, while demanding for constitutional amendments, political pluralism, an opposition-type multiparty system, and so forth.

The hostile forces are also accelerating their secret activities, especially in intelligence-gathering and espionage such as in stealing national secrets. They also strive to sow discord within our organizations, first within our party, then state organizations, the army, and police. They expect that from the ties forged by investment cooperations and other projects such as cadre training, humanitarian aid, and so forth, they will be able to convert viewpoints and ideals within our party, and entice people with faulty thinking, and those who are undecisive, biased, opportunistic, and greedy for either glory or material gain. They will wait for the right opportunity to plant spies and create "flag" wavers. From there they will form opposition organizations and unite their internal forces to become the opposition of the state in the "peaceful evolution" scheme from within. When the opportunity comes they will quickly turn to violence.

In parallel to increasing aid and directing exiled reactionary organizations comprising overseas Vietnamese to carry out sabotage activities from abroad, they are also make contact with reactionary groups within the country to cause disorder, to carry out sabotage activities and political instability. All the methods of non-violence, peace, "reconciliation", "harmony" in the struggle for "democracy", "freedom", "prosperity" will be combined and slowly developed to gain legitimacy, popularity, and internationalization, leading the way for foreign forces to interfere and pressure us.

It is obvious that peaceful evolution activities of the hostile forces is the next step of the basic strategy they have been applying so far. But the scheme is now being carried out vigorously, resolutely, with timely adjustments by new and more cunning maneuvers.

The success of their scheme, however, is not for them to decide. The destiny and future of our country is decided by our party and people with correct policies and proper measures.

In implementing the renovation initiated by the Seventh Party Congress, our people has scored important achievement in all economic, political, cultural, social, external relations, national defense, and security aspects. We have continuously freed ourselves from the obstruction and isolation of the enemy, and created a new position in the international community. Our country is experiencing new opportunities as well as new challenges, and the challenges emerging from opportunities.

It is therefore the duty of the entire party, people, and army to fight against peaceful evolution. The prime and urgent duty is to protect the fatherland of socialist Vietnam.

To ensure the strength and ability of our country for development, we have to maintain political stability, continue our renovation for socioeconomic development, and fight an enemy taking advantage of our economic reforms. We have to take care of the people's livelihood at the same time while safeguarding security and national defense, expanding external relations, reforming and rectifying the party, and consolidating the party's leadership role, and the flesh and bone relations between the party and the people. We also have to improve the management efficiency of the state mechanism and the socialist legal system, and strive to heighten the people's sense of vigilance by making them understand clearly the enemy's scheme of peaceful evolution. By being alert, flexible, resolute, and determined in our struggle, we will absolutely defeat all "peaceful evolution" plots and maneuvers.

Government Office Sets Up 4 New Commissions

BK3004142294 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 29 Apr 94

[Text] The prime minister has just decided to form four new commissions under the Government Office. They are the Commission for Information and Press, the Commission for Liaising with the National Assembly and Overseeing the Activities of the People's Committees, the Commission for Supervising the Execution of Government Decrees and Resolutions and the Prime Minister's Decisions and Directives, and the Commission for Oil and Gas.

The Commission for Information and Press is to help the prime minister, ministers, and the head of the Government Office with press information about government's activities and management. It reviews newspapers to provide information to the prime minister. It also follows the settlement of issues raised by the mass media concerning different ministries, sections, and localities for reports to the prime minister.

Southern Provinces Get More Radio Programs

BK0105135594 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 30 Apr 94

[Text] Dear friends: Effective tomorrow, 1 May 1994, the Voice of Vietnam Radio Network will broadcast additional daily programs for the southern provinces in the afternoon from 1230 to 1300 and in the evening from 1830 to 1900 on the 655 kilohertz frequency. You are invited to listen to the afore-mentioned programs.

'Refresher Course' Held for Reporters, Editors

BK3004101594 Hanoi VNA in English 0718 GMT 30 Apr 94

[Text] Hanoi VNA April 30—A refresher course for more than 260 reporters and editors of VIETNAM NEWS AGENCY (VNA) who are working in various localities in the country and abroad was held here from April 18-29.

The course was aimed at renovating and improving the quality and effectiveness of VNA's work in the light of resolutions of the mid-term conference of the Communist Party of Vietnam held in January 1994.

Addressing the opening ceremony, Deputy Prime Minister Nguyen Khanh on behalf of the government pointed out new requirements [words indistinct] should meet in the present process of renovation of the country.

Main lecturers included Phan Van Khai, deputy prime minister; Nguyen Duc Binh, Politburo member of the Communist Party of Vietnam Central Committee (CPV CC); Doan Khue, Politburo member of the CPV CC and minister of defence; Dau Ngoc Xuan, chairman of the State Committee for Cooperation and Investment (SCCI); Nguyen Cong Tan, minister of agriculture and food; Le Mai, deputy minister for foreign affairs; and Mai Ky, minister in charge of population activities and family planning.

Southern Provinces Produce Improved Rice Harvest

BK0205073694 Hanoi VNA in English 0627 GMT 2 May 94

[Text] Hanoi VNA May 2—Southern provinces have harvested winter-spring rice on more than 1,266.075 ha with an average yield of 4.79 tonnes/ha, thus achieving an output of 6.07 million tonnes, an increase of 1.24 million tonnes compared with last year winter-spring crop.

This is the ever highest rice harvest of southern provinces. [sentence as received] In comparison with 1993, the acreage is up by 3.66 per cent, per hectare yield up by 21.32 per cent, and output up by 25.76 per cent.

Most worthy of notes, all Mekong Delta provinces, the biggest rice producer in the country, obtained per hectare yield as high as 5.2 tonnes/ha, grossing 5.23 million tonnes, an increase of 1.08 million tonnes over last year. Most prominent is An Giang Province which got 1.07 million tonnes of paddy in this winter-spring crop.